



EXECUTIVE COMMITTEE
NOTICE/AGENDA

Posted at www.scdd.ca.gov

DATE: Thursday, April 3, 2014

TIME: 12:30 – 4:30 p.m.

LOCATION: State Council on Developmental Disabilities
1507 21st Street, Suite 210
Sacramento, CA 95811

TELECONFERENCE SITE:

Tarjan Center
11075 Santa Monica Blvd, Suite 208
Los Angeles CA 90025

Pursuant to Government code Sections 11123.1 and 11125(f), individuals with disabilities who require accessible alternative formats of the agenda and related meeting materials and/or auxiliary aids/services to participate in this meeting should contact Robin Maitino at (916) 322-8481 or email robin.maitino@scdd.ca.gov. Requests must be received by 5:00 pm on March 27, 2014

AGENDA

			<u>Page</u>
1.	CALL TO ORDER	M. Kennedy	
2.	ESTABLISHMENT OF QUORUM	M. Kennedy	
3.	WELCOME/INTRODUCTIONS	M. Kennedy	
4.	APPROVAL OF FEBRUARY MINUTES	M. Kennedy	3

5. **PUBLIC COMMENTS**
*This item is for members of the public only to provide an opportunity to comments and/or present information to the Committee on matters **not** on the agenda. Each person will be afforded up to three minutes to speak. Written requests, if any, will be considered first. The Committee will provide a public comment period, not to exceed a total of seven minutes, for public comment prior to action on each agenda item.*
6. **CLOSED SESSION – PERSONNEL** M. Kennedy
Pursuant to Government Code 11126 (a)(1) the Council will have a closed session to consider the appointment and/or employment of a public employee.
7. **RECONVENE OPEN SESSION** M. Kennedy
Pursuant to Government Code Section 11126.3 (f) there will be an announcement of any action(s) taken during closed session.
8. **MTARS UPDATE** J. Aguilar
9. **BYLAWS REVIEW** J. Aguilar 6
10. **YOUTH LEADERSHIP FORUM SPONSORSHIP REQUEST** R. Newton 27
11. **CYCLE 37 GRANT RECOMMENDATIONS** Lewis/Kennedy 30
12. **LEGISLATIVE AND PUBLIC POLICY** J. Lewis 32
 - i. AB 2299 (Nazarian) – Co-Sponsor
 - ii. AB 1626 (Maienschein) – Support
13. **FAR NORTHERN REGIONAL CENTER COI WAIVER REQUESTS** R. Newton 36
14. **CONTRACT AND PURCHASING MANUAL** M. Kennedy 73
15. **CONFLICT OF INTEREST POLICY** M. Kennedy 95
16. **ESTABLISH MAY COUNCIL AGENDA** All
17. **ADJOURN** M. Kennedy

DRAFT

**Executive Committee Meeting Minutes
February 11, 2014**

Attending Members

Janelle Lewis
Jorge Aguilar
Kecia Weller
Molly Kennedy
Ning Yang
Ray Ceragioli

Members Absent

Others Attending

Eric Gelber
Kris Kent
Melissa Corral
Nancy Dow
Robin Maitino
Roberta Newton
Mark Polit

1. **Call to Order**

Molly Kennedy called the meeting to order at 10:10 a.m. and established a quorum present.

2. **Welcome and Introductions**

Members and others introduced themselves.

3. **Approval of December 10, 2013 Minutes**

It was moved/seconded (Aguilar/Lewis) and carried to approved the December 10, 2013 Executive Committee minutes as amended.
(1 abstention)

Amendment

Show Ray Ceragioli as present not absent.

4. **Public Comments**

There were no public comments.

5. **MTARS Response**

- a. Cover Letter – It was moved/seconded (Lewis/Ceragioli) and carried to approve the content of the MTARS response cover letter.
- b. Corrective Action Plan – It was moved/seconded (Lewis/Yang) and carried to approve the corrective plan matrix pending changes as discussed.
- c. Legislative Outline – It was moved/seconded (Yang/Weller) and carried to approve the proposed legislation content knowing that further minor edits will be made.
- d. Fact Sheet – An informational copy of the MTARS Fact Sheet was provided to the Committee. Members requested that fact sheet be amended to include a statement that Lanterman Act changes would not affect entitlement or services.

6. **Revisions to Bylaws**

It was moved/seconded (Ceragioli/Yang) and carried to approve changes to the Bylaws in order to bring them in compliance with the Federal DD Act.

7. **Update on Executive Director Search Process**

Jorge reported that he has reached out to Pam Derby regarding an update on applicants and has yet to receive a response.

8. **Closed Session – Personnel**

The Committee went into closed session.

9. **Reconvene Open Session**

No action was reported.

10. **Conflict of Interest Policy, Regional Center Waiver Procedure, Contract and Purchasing Manual**

It was moved/seconded (Kennedy/Aguilar) and carried to postpone agenda items 11, 12, and 13.

11. **Adjournment**

Molly Kennedy adjourned the meeting at 4 pm.

State Council on Developmental Disabilities

2014 DRAFT REVISIONS



BY-LAWS

**REVISED ON: April 9, 2013
CERTIFIED BY SCDD ON: May 15, 2013**

TABLE OF CONTENTS

Department Name and Definitions.....	4
State Council Responsibilities.....	4
State Council Principal Office.....	4
State Council Area of Service.....	4
State Council Membership	4
Appointment of Council Members.....	4
Term of Office for Council Members	5
Conflict of Interest	5
Vacancies on Council	5
Resignations of Council Members	6
Compensation and Expenses for Council Members	6
Parliamentary Authority/Rules.....	6
Council Meetings	7
Definition of Quorum	7
Voting Rights	7
Chairperson Pro Tem	7
Officers	7
Elections of Member Officers	8
Voting Procedure	8
Term of Office	8

Vacancies	8
Duties of Officers	8
Removal from Office (Members)	9
Executive Director	9
Appointment of Executive Director	9
Responsibilities and Duties of Executive Director	9
Removal from Appointment of Executive Director	10
Council Committees	10
Committee Authority	10
Standing Committees	11
(Draft changes made)	
Executive Committee	11
(Draft changes made)	
Strategic Planning Sub-Committee	13
Administrative Committee.....	13
Legislative and Public Policy Committee	14
Program Development Committee	14
Self-Advocates Advisory Committee.....	15
Employment First Committee.....	15
<u>Membership Committee.....</u>	<u>16</u>
<u>State Plan Committee.....</u>	<u>17</u>
Nominating Committee	<u>17</u> 16
General Committee Information	16 <u>18</u>
Council General Provisions	<u>17</u> 18
Certification and Inspection Procedures	<u>17</u> 18
Records, Reports and Inspection	<u>17</u> 18

Amendments of By-Laws	1718
Indemnification	1719

CALIFORNIA STATE COUNCIL ON DEVELOPMENTAL DISABILITIES

BY-LAWS

ARTICLE I. NAME & DEFINITIONS

The name of this organization shall be the State Council on Developmental Disabilities.

ARTICLE II. RESPONSIBILITIES

The responsibilities of the State Council on Developmental Disabilities are set forth in 42 United States Code Section 51001 et. seq. and Sections 4433.5 and 4520 et. seq. of the California Welfare and Institutions Code.

ARTICLE III. PRINCIPAL OFFICE

The principal office of the Council shall be located in the County of Sacramento, California. The Council may change the principal office from one location to another within the county.

ARTICLE IV. AREA OF SERVICE

The area of service shall be the State of California.

ARTICLE V. MEMBERSHIP

Appointment to the Council requires each member to fully discharge his/her duties consistent with the responsibilities of representing persons with developmental disabilities. The membership of the Council shall consist of the categories of people in accordance with state and federal law.

SECTION 1. Appointments:

Pursuant to Division 4.5, Chapter 2, Article 1, Section 4521 (b)(1), (2), and (3) of the Welfare and Institutions Code, there shall be thirty-one (31) voting members on the Council appointed by the Governor, as follows:

- (a) Twenty (20) members of the Council shall be persons with a developmental disability (self-advocates) or parents, siblings, guardians or conservators (family-advocate) of these persons. In these By-laws these persons are referred to as self-advocates and family-advocates. Of the 20 members, thirteen (13) shall each be current members of the 13 Area Boards, one member from each board and representing consumers and families in their local catchment area; and, seven (7) shall be members at large that are comprised as follow: three (3) persons with developmental disabilities; one (1) person who is a parent, immediate relative, guardian, or conservator of a resident in a developmental center; one (1) person who is a parent, immediate relative, guardian, or conservator of a person with a

developmental disability living in the community; one (1) person who is a parent, immediate relative, guardian, or conservator of a person with a developmental disability living in the community nominated by the Speaker of the Assembly; and, one (1) person with a developmental disabilities nominated by the Senate Committee on Rules.

- (b) Eleven (11) members of the Council shall include: directors or members, as appropriate, of State departments or agencies or of local agencies as prescribed in state and federal laws. These persons are referred to as agency representatives in these By-laws and shall include three (3) members appointed to represent the University Centers for Excellence (UCE) programs funded by the Administration on Developmental Disabilities as the three California UCEs.
- (c) Prior to appointing the thirty-one (31) members, the Governor shall request and consider recommendations from organizations representing or providing services, or both, to persons with developmental disabilities and shall take into account socioeconomic, ethnic, and geographic considerations of the state. The Council may, at the request of the Governor, coordinate Council and public input to the extent feasible to the Governor regarding recommendations for membership.

SECTION 2. Term of Office:

The term of office on the State Council shall be in accordance with state law. The term of each self or family advocate member shall be for three years. In no event shall any self or family advocate member serve for more than a total of six years.

SECTION 3. Conflict of Interest:

Pursuant to California Welfare and Institution Code Section 4525 the Council's approved Conflict of Interest Policy, is incorporated by reference into these By-laws.

SECTION 4. Vacancies:

A vacancy on the Council exists if any of the following events occur before the expiration of the term:

- (a) The death of the member.
- (b) An adjudication pursuant to a legal proceeding declaring that the member is physically or mentally incapacitated due to disease, illness, accident, or other condition and there is reasonable cause to believe that the member will not be able to perform the duties of office for the remainder of his/her term.
- (c) The member's resignation.
- (d) The member's removal from office.
- (e) The member's ceasing to be a legal resident of the state or the area the member was appointed to represent.
- (f) The member's absence from the state without the permission required by law beyond the period allowed by law.

- (g) The member's ceasing to discharge the duties of his/her office for the period of three consecutive meetings, except when prevented by sickness, or when absent from the state with the permission required by law. After three (3) consecutive unexcused absences, a member shall be considered as having ceased to discharge the duties of Council membership. An unexcused absence is an absence of a member when previous notice of absence has not been given to the Council Chair or Committee Chair and to the Executive Director by telephone, email, or mail.
- (h) The member's conviction of a felony or any offense involving a violation of his/her official duties. A member shall be deemed to have been convicted under this section when trial court judgment is entered.
- (i) The member's refusal or neglect to file his/her required oath, or declaration of conflict of interests within the time prescribed after being provided notice of non-compliance and a reasonable time to comply.
- (j) The decision of a competent tribunal declaring void the member's election or appointment.
- (k) The making of a vacating order or declaration of vacancy.
- (l) The member assumes a position or responsibility that violates the Council's conflict of interest policy.

The Governor shall be notified when a vacancy occurs and shall appoint a person to serve the unexpired term of the member being replaced.

SECTION 5. Resignations:

Members shall serve a designated term unless they resign, or are otherwise disqualified to serve, or until successors have been appointed, up to the maximum years allowed by State law. Any member may resign at any time by giving written notice to the Chairperson and to the Executive Director. Such resignation shall take effect on the date of receipt of such notice or any later time specified therein; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 6. Compensation and Expenses:

Self-advocate and family advocate members of the State Council shall receive honoraria pursuant to Government Code 11564.5, and Welfare and Institution Code Section 4550 not to exceed fifty (50) days in any fiscal year. All members shall be reimbursed for authorized actual and necessary expenses incurred in connection with the performance of their duties as Council members, in accordance with state regulations in the State Administrative Manual.

ARTICLE VI. MEETINGS

SECTION 1. Parliamentary Authority:

- (a) All meetings of the Council and its committees are public meetings governed by the Bagley-Keene Open Meeting Act (Government Code Section 11120, et. seq.).

- (b) Robert's Rules of Order shall be utilized as the rules for all Council and committee meetings except in instances of conflict with these By-laws, or provisions of State or federal law or regulations. The Vice-Chairperson shall serve as Parliamentarian.
- (c) The Council may adopt, from time-to-time, such policies and rules for the conduct of its meetings and affairs as may be required.

SECTION 2. Meetings:

- (a) There shall be no less than six (6) and no more than twelve (12) meetings of the Council per year.
- (b) Special meetings of the Council may be called by the Chairperson or, in case of absence or inability to act by the Chairperson, by the Vice-Chairperson. In case of a refusal to act by the Chairperson, a special meeting may be called by written request of nine (9) members of the Council. Only matters specified in the written notice of the meeting shall be considered at such a meeting.
- (c) Regular or special meetings of the Council shall be held at a place, date, and time designated by the Council or selected by the Chairperson.

SECTION 3. Quorum:

- (a) A quorum for the Council shall be a simple majority of the statutory required membership.
- (b) A quorum for each Council committee and sub-committee shall be a simple majority of the appointed members of that committee.

SECTION 4. Voting Rights of Members:

- (a) Each member shall be entitled to one vote, to be exercised in person. Proxy voting shall not be permitted.
- (b) Except as otherwise specifically provided in State law or these By-laws, all matters submitted for determination shall be decided by a majority vote.

SECTION 5. Chairperson Pro Tem:

If neither the Chairperson nor Vice-Chairperson is present to preside at a Council meeting, a chairperson pro tem shall be elected by the majority vote of the Council members present.

ARTICLE VII. OFFICERS

SECTION 1. Officers:

The officers of the Council shall be a Chairperson and a Vice - Chairperson elected from among the self and family advocate members. These officers shall perform the duties described in

these By-laws.

SECTION 2. Election of Member Officers:

Election of officers shall occur once every two years. The election shall be held during the last meeting of the appropriate calendar year. Only self and family advocate members shall be eligible to hold office.

SECTION 3. Voting Procedure:

Council officers shall be elected by a majority vote. Recommendations for officers shall be in the form of nominations from the Nominating Committee. Nominations may also be received from the floor prior to the election, but subsequent to the report of the Nominating Committee.

SECTION 4. Term of Office:

The Chairperson and Vice-Chairperson shall be elected for a term of two years. Individuals may be elected to these positions for no more than two consecutive terms. Their term of office shall begin the first day of the new calendar year.

SECTION 5. Vacancies:

If the Chairperson resigns or is permanently unable to serve during the term of office pursuant to Article V Section 4, the Vice-Chairperson shall become the Chairperson for the remainder of such term. Upon the vacancy of the Vice-Chairperson's term of office or if the Vice-Chairperson resigns or is permanently unable to serve during the term of office, the Chairperson shall appoint an interim Vice-Chairperson to serve until an election is conducted. The Chairperson shall also appoint a nominating committee of at least three (3) but not more than five (5) Council members that will provide a slate of nominations for the election of Vice-Chairperson during the next appropriate Council meeting.

The voting procedure established in Article VII, Section 3 shall be used for the election process of the permanent Vice-Chairperson.

SECTION 6. Duties of the Officers:

- (a) Chairperson - The responsibilities of the Chairperson are: to preside at all meetings of the Council; to appoint chairpersons and members to all Council committees, except the Nominating Committees, to appoint Council representatives in relation to other agencies and consumer groups; and to represent the Council as needed. The Chairperson shall have full voting rights on all Council actions.
- (b) Vice-Chairperson - The responsibilities of the Vice-Chairperson are to perform all the duties of the Chairperson if the Chairperson is absent or if the Chairperson requests the Vice-Chairperson to do so. When acting in the capacity of the Chairperson, the Vice-Chairperson has the same authority as the Chairperson. The Vice-Chairperson also serves as Chair of the Executive Committee and as Parliamentarian.

SECTION 7. Removal from Office:

Action to remove an officer shall be in accordance with the following procedure:

- (a) Written notification must be submitted by registered mail to the Executive Director from Council member(s) describing the specific cause for which removal is sought.
- (b) The Executive Director shall notify the officer charged by registered mail within two (2) working days of receiving the charges. Any member so notified shall have ten (10) days to respond to the group or individual responsible for notification. Following this ten (10) day period, the responsible parties shall notify the Executive Director within ten (10) days as to whether or not they wish to request removal of the officer. If the responsible parties are satisfied by the officer's response that no sufficient cause exists, the matter will be closed with written notice to the Executive Director and to the officer.
- (c) If the group or individual requesting removal is not satisfied by the response of the officer or if the officer fails to respond in ten (10) days, the Executive Director shall put the issue on the agenda at the beginning of the next Council meeting and inform the Council members as to the purpose of the agenda item.
- (d) Written charges shall be distributed and reviewed at the specified meeting of the Council.
- (e) A majority vote shall be required to remove a chairperson or vice-chairperson from office. If removal of the Chairperson is under consideration, the vice-chairperson shall preside.

ARTICLE VIII. EXECUTIVE DIRECTOR

SECTION 1. Appointment:

- (a) The Executive Director of the Council shall be appointed by and serve at the will of the Council in a position exempt from all civil service requirements pursuant to the California Constitution, Article 7, section 4(b) and Welfare and Institutions Code Section 4551(a)(2). The appointment of the Executive Director shall occur during a regular or special meeting of the Council.
- (b) A performance review of the Council Executive Director shall be coordinated by the Executive Committee and conducted annually by the full Council.

SECTION 2. Responsibilities and Duties:

- (a) The Executive Director shall be the chief administrative officer of the Council and shall have all the authority and responsibility assigned to the director of a state agency including budget, personnel, and contractual transactions. These include

authority for entering into and execution of agreements on behalf of the Council in order to implement the policies of the Council.

- (b) The Executive Director shall be under the direction and control of the Council and shall do and perform such other duties as may be assigned by the Council.
- (c) The Executive Director shall serve as clerk to the Council.

SECTION 3. Removal:

- (a) Action to remove the Executive Director of the Council shall be conducted in accordance with Government Code Section 11120, et. seq.
- (b) The Executive Committee of the Council may recommend removal of the Executive Director during a regular or special meeting. This recommendation shall be taken to the Council during a regular or special meeting for discussion and action.
- (c) A majority vote, during a regular or special Council meeting, shall be required to remove the Executive Director from his or her exempt appointment.

ARTICLE IX. COMMITTEES

SECTION 1. Authority:

- (a) Subject to the provision of these By-laws, all committees, with the exception of the Executive Committee, shall be advisory and shall not have the power to bind the Council except when specifically authorized by the Council to do so. Recommendations made by advisory committees shall be presented to the Council for adoption in the form of a motion.
- (b) Subject to provision of these By-laws, a vacancy in the membership of a committee, except the Nominating Committee, may be filled by the Council Chairperson.
- (c) A committee may meet upon call of the chairperson of the committee or the Council Chairperson.
- (d) Unless otherwise specified in these By-laws, the Chairperson and the Executive Director of the Council shall serve ex officio, without vote, on all committees, except the Nominating Committee.
- (e) A committee member may be removed from the committee by the Council Chair after three (3) consecutive unexcused absences. An unexcused absence is an absence of a member when previous notice of absence has not been given to the Committee Chair or Executive Director or appropriate Deputy Director by telephone, e-mail or mail.

SECTION 2. Standing Committees:

- (a) There shall be ~~six-(6)~~eight (8) standing committees of the State Council:
 - (1) Executive
 - (2) Administrative
 - (3) Legislative and Public Policy
 - (4) Program Development
 - (5) Self-Advocates Advisory
 - (6) Employment First
 - (7) Membership
 - (8) State Plan Committee
- (b) The Chairperson and members of each of the standing committees shall be appointed by the Council Chairperson. In the event of a vacancy for any reason in membership or the Chairperson, a successor may be appointed by the Council Chairperson. The Chairpersons and Vice-Chairpersons of the State Council and of its standing committees shall be individuals with a developmental disability, or the parent, sibling, guardian, or conservator of an individual with a developmental disability (WIC 4535(b)). The All committee chairperson appointments shall be announced to the Council at the next available Council meeting.
- (c) The membership of all standing committees, except the Executive Committee, shall be open to non-members of the Council. The expenses of non-Council members may be reimbursed on the same basis as a Council member with the exception of the honorarium.
- (d) All members of the Council shall be expected to serve on at least one standing committee of the Council.
- (e) The charge of each of these committees shall be as follows:
 - (1) Executive Committee
The Executive Committee shall serve as the coordinating body to the Council. The Committee shall:
 - [a] Consist of the Council Chairperson, Vice-Chairperson, chairperson of the Legislative and Public Policy Committee, chairperson of the Program Development Committee, ~~chairperson of the Strategic Planning Subcommittee~~, chairperson of the Self-Advocates Advisory Committee, chairperson of the Employment First Committee, Chairperson of the State Plan Committee and the Chairperson of the Membership Committee, Chairperson of the Administrative Committee and two (2) other Council members.

- [b] Be chaired by the Council Vice-Chairperson.
- [c] Have delegated authority to Act ~~act~~ on behalf of the Council between meetings, but shall not modify any action taken by the Council unless authorized by the Council to do so. The full Council at the next regular or special meeting shall receive a report of all Executive Committee actions taken between Council meetings.
- [d] Administrative matters shall be a standing agenda item at every meeting and shall include but not be limited to, budget reports, expenditure reports and other major administrative issues.
- [e] Make recommendations to the Council regarding approval of Community Program Development Grants (CPDG) projects to be funded, and allocations.
- [f] Appoint members of CPDG Grant Review team as needed.
- [g] Provide direction to the Executive Director regarding all matters pertaining to Council responsibilities.
- [h] Make recommendations to the Council regarding amendments to the By-laws, changes in committee structure or responsibilities.
- [i] Make recommendations to the Council regarding Council member training.
- [j] Make recommendations to the Council regarding the presentation of awards on behalf of the Council.
- [k] Make recommendations to the Council regarding matters assigned by the Council or the Council Chairperson.
- [l] Make recommendations to the Council regarding the appointment, evaluation, or removal of the Executive Director.
- [m] Monitor and evaluate California State Strategic Plan on Developmental Disabilities implementation and submit findings to the Council.
- [n] Review and make recommendations to the Council regarding area boards' requests to initiate litigation per Welfare and Institution Code Section 4548(g)(4) and (6).
- [o] Coordinate the Council's litigation activities, as needed, and make

recommendations to the full Council.

- [p] ~~Make appointments to and receive recommendations from the Strategic Planning Sub-Committee.~~
- [q] Present a slate of nominees to be elected to the Nominating Committee. Election to the Nominating Committee shall occur at the September Council meeting during election years.
- ~~[r] Form and provide oversight for a State Plan Sub-Committee. This Sub-Committee will be formed periodically to review the existing State Plan and make progress toward an update.~~

This Sub-Committee shall:

- ~~(1) Advise the Executive Committee on the collection and reporting of information on needs, including unmet needs, priorities and emerging issues~~
- ~~(2) Make recommendations to the Executive Committee regarding policy priorities, goals and objectives for the California State Plan on Developmental Disabilities~~
- ~~(3) Advise the Executive Committee and full Council in the planning of the implementation and reporting of the goals and objectives of the Council's California State Plan on Developmental Disabilities.~~

Formatted: Indent: Left: 1.5", First line: 0"

Formatted: Indent: Left: 1.5", First line: 0", Tab stops: Not at 2.5"

Formatted: Indent: Left: 1.5", First line: 0"

Formatted: Indent: Left: 1.5", First line: 0", Tab stops: Not at 2.5"

(2) Administrative Committee

The Administrative Committee shall assist with monitoring the administrative and budgetary activities of the Council. The Committee shall:

- [a] Be composed of at least three (3) Council Members
- [b] Make recommendations to the Council regarding allocation of discretionary fiscal resources and other budgetary issues.
- [c] Make recommendations to the Council regarding budgeting for anticipated fiscal resources among Council operations and specific service priorities for inclusion in the California State Strategic Plan and the Governor's budget.
- [d] Make recommendations to the Council regarding monitoring and

evaluating administrative contracts and agreements.

- [e] Make recommendations to Council regarding all contracts and agreements.
- [f] Monitor and evaluate administrative contracts and agreements; and take actions authorized in all Council contracts and agreements.
- [g] Make recommendations to the Council regarding administrative matters and policies including organizational charts and structure.

(3) Legislative and Public Policy Committee

The Legislative and Public Policy Committee shall implement the California State Strategic Plan on Developmental Disabilities objectives as assigned by the Council. The Committee shall:

- [a] Be composed of at least seven (7) members.
- [b] Review, comment and recommend positions on significant proposed legislation and/or proposed regulations.
- [c] Recommend legislation consistent with Council's responsibilities and objectives.
- [d] Recommend initiatives and policies consistent with Council responsibilities and objectives.
- [e] Provide testimony and recommendations to the Legislature with regard to matters pertaining to people with developmental disabilities.
- [f] Respond to other responsibilities as assigned by the Council or Council Chairperson.

(4) Program Development Committee

The Program Development Committee shall advise the Council in the development of services and projects designed to improve the quality of life for individuals with developmental disabilities and their families

The Committee shall:

- [a] Be composed of at least seven (7) members.
- [b] Make recommendations to the Council regarding the Community

Program Development Grant (CPDG) application process and suggested priorities/criteria for proposals.

- [c] Develop methods to market and implement successful CPDG projects throughout the State.
- [d] Carry out other responsibilities as assigned by the Council or the Council Chairperson.

(5) Self-Advocates Advisory Committee

The Self-Advocates Advisory Committee shall advise the Council as a voice for all Californians with disabilities, by promoting State Council participation and peer advocacy that advances independence and inclusion. The Committee shall:

- [a] Be composed of self-advocate members of the Council.
- [b] Advise the Council regarding self-advocate needs related to serving the Council including manners in which to ensure participation and inclusion in all meetings.
- [c] Advise the Council regarding policies, programs and any other area affecting self advocates in California.
- [d] Review materials and other Council produced information to evaluate and make recommendations regarding plain language approaches.
- [e] To have a standing representative to the Statewide Self-Advocacy Network (SSAN.)

(6) Employment First Committee

The Employment First Committee is responsible for ensuring the development of an Employment First Policy which has the intended outcome of significantly increasing the number of individuals with developmental disabilities who engage in integrated, competitive employment. The Committee shall:

- [a] Be composed of a representative from each of the following:
 - (1) The Department of Developmental Services
 - (2) The Department of Rehabilitation
 - (3) The California Department of Education
 - (4) One from each of the three University Centers of Excellence in California
 - (5) Disability Rights California

- (6) Employment Development Department
- (7) Family Resource Center Network
- (8) Association of Regional Center Agencies
- (9) Service Employees International Union
- (10) The ARC
- (11) Four self-advocates
- (12) Four family advocates
- (13) Such others as deemed needed to implement the responsibilities of the Council.

- [b] Identify the respective roles and responsibilities of state and local agencies in enhancing integrated, competitive employment for people with developmental disabilities.
- [c] Identify strategies, best practices, and incentives for increasing integrated, competitive employment opportunities for people with developmental disabilities, including, but not limited to, ways to improve the transitional planning process for students 14 years of age or older, and to develop partnerships with, and increase participation by, public and private employers and job developers.
- [d] Identify existing sources of employment data and recommend goals for, and approaches to measuring progress in, increasing integrated, competitive employment for persons with developmental disabilities.
- [e] Recommend legislative, regulatory, and policy changes for increasing the number of individuals with developmental disabilities in integrated, competitive employment, self-employment, and microenterprises and who earn wages at or above minimum wage.
- [f] Provide an annual report to the Governor and Legislature by July 1 of each year that describes the work and recommendations of the Committee.

(7) Membership Committee

The Membership Committee shall recruit, solicit and advise the Governor on appointments to and vacancies on the Council. The Chairperson of the Committee is charged with submitting the Council's recommendations to the Governor. The Committee shall:

Formatted: Indent: Left: 1.5"

- [a] be comprised of at least three (3) members, two (2) of which shall be Council members.

Formatted: Indent: Left: 1.5", Hanging: 0.5"

- [b] be comprised of self advocates and family advocates

Formatted: Indent: Left: 1.5"

[c] meet at least quarterly

[d] coordinate Council and public input regarding appointments to the Governor.

Formatted: Indent: Left: 1.5", Hanging: 0.5"

[e] at least quarterly solicit recommendation for candidates via social media, email/web alerts, from among self-advocacy groups, family support groups, Federal Partners and service providers.

[f] submit all recommendations for appointments to the Governor's Officer for consideration.

[g] make a report of submissions to the Governor's Office to the Council during the next regular meeting.

(8) State Plan Committee

The State Plan Committee shall be responsible for reviewing the current State Plan and monitor its implementation and completion of goals and objectives as well as develop subsequent plans. The Committee shall:

Formatted: Indent: Left: 0", Hanging: 1.5"

[a] Be comprised of at least three (3) members

Formatted: Indent: Left: 0", Hanging: 1.5"

[b] Meet at least quarterly.

Formatted: Tab stops: 1.44", Left + Not at 1.06"

[c] Advise the Executive Committee on the collection and reporting of information on needs, including unmet needs, priorities and emerging issues

Formatted: Tab stops: 1.44", Left + Not at 1.06"

Formatted: Indent: Left: 1.44", Hanging: 0.56"

[d] Make recommendations to the Council regarding policy priorities, goals and objectives for the California State Plan on Developmental Disabilities

Formatted: Indent: Left: 0.5", Hanging: 1.5", Tab stops: 1.44", Left + Not at 2.5"

[e] Advise the Council in the planning of the implementation and reporting of the goals and objectives of the Council's California State Plan on Developmental Disabilities

Formatted: Indent: Left: 1.44", Hanging: 0.56", Tab stops: 2.5", Left + Not at 1.06"

Formatted: Font: 12 pt, Highlight

Formatted: Font: 10 pt, Not Bold

SECTION 3. Nominating Committee:

The Nominating Committee shall provide advice to the Council relative to the bi-annual election of Council officers. The Committee shall:

- (a) Be composed of at least three (3) and not more than five (5) Council members.

- (b) Be elected by the Council at the September Council meeting from a slate of nominations presented by the Executive Committee.
- (c) Serve for one year. Be elected at least forty-five (45) days prior to the annual election.

SECTION 4. Committees, Sub-Committees and Ad-Hoc Committees and Task Forces:

- (a) Committees, Sub-committees, Ad-Hoc committees and Task Forces may be established by the Council to carry out specified California State Strategic Plan on Developmental Disabilities objectives and purposes of the Council.
- (b) The term of office and, qualifications of these groups' chairpersons and members shall be established by the Council. The membership of Sub-Committees and Ad-Hoc committees shall be open to non-members of the Council and shall be appointed by the Chairperson of the Council. The expenses of non-Council members may be reimbursed on the same basis as a Council member with the exception of the honorarium.

ARTICLE X. COUNCIL GENERAL PROVISIONS

SECTION 1. Certification and Inspection:

The original or a copy of the By-laws, as amended or otherwise altered to date, certified by the Council shall be recorded and kept in a book that shall be kept in a location in the principal office of the Council, and such book shall be open to public inspection at all times during office hours.

SECTION 2. Records, Reports and Inspection:

- (a) The Council shall maintain adequate and correct accounts, books and records of all its business and properties.
- (b) Such records shall be kept at its principal place of business. All books and records shall be open to inspection by the Council and the general public, except those records or data regarding an employee, if such disclosure would constitute an unwarranted invasion of personal privacy, or records of the Council relating to its participation in a judicial proceeding.
- (c) An annual financial report and budgets shall be available for inspection at the Council's principal place of business.

ARTICLE XI. AMENDMENTS OF BY-LAWS

Subject to the limitations of federal and state law, these By-laws shall be reviewed at least annually. The Executive Committee shall be responsible for the annual review of the By-laws, submitting recommendations for adoption of new By-laws and amendments or repeal of existing

By-laws to the Council. These By-laws may be amended, repealed or adopted by a two – thirds majority during any regular or special meeting of the Council so long as a draft of the proposed action was submitted in writing to the Council at least ten (10) days prior to the meeting.

ARTICLE XII. INDEMNIFICATION

SECTION 1. Definitions:

For the purposes of this Article XII, "agent" means any person who is or was a director or member as appropriate, officer, employee, or other agent of the Council. Proceeding means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and expenses include without limitation attorney's fees and any expenses of establishing a right to indemnification under Section 4 or 5(b) of this Article XII.

SECTION 2. Indemnification in Actions by Third Parties:

The Council shall have power to indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the Council to procure a judgment in its favor, by reason of the fact that such person is or was an agent of the Council, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Council and, in the case of a criminal proceeding, has no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the Council or that the person had reasonable cause to believe that the person's conduct was unlawful.

SECTION 3. Indemnification in Actions by or in the Right of the Council:

The Council shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action by or in the right of the Council, to procure a judgment in its favor by reason of the fact that such person is or was an agent of the Council, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of the Council, and with such care, including reasonable inquiry as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Section 3:

- (a) In respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable to the Council in the performance of such person's duty to the Council, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;

- (b) Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or
- (c) Of expenses incurred in defending a threatened or pending action, which is settled or otherwise disposed of without court approval, unless it is settled with the approval of the Attorney General.

SECTION 4. Indemnification Against Expenses:

To the extent that an agent of the Council has been successful on the merits in defense of any proceeding referred to in Section 2 or 3 of this Article XII or in defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

SECTION 5. Required Determinations:

Except as provided in Section 4 of this Article XII any indemnification under this Article XII shall be made by the Council only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Section 2 or 3 of this Article XII, by:

- (a) A majority vote of a quorum consisting of directors or members as appropriate, who are not parties to such proceeding; or
- (b) The court in which such proceeding is or was pending upon application made by the Council or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney, or other person is opposed by the Council.

SECTION 6. Advance of Expenses:

Expenses incurred in defending any proceeding may be advanced by the Council prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Article XII.

SECTION 7. Other Indemnification:

No provision made by the Council to indemnify its or its subsidiary's directors or members as appropriate, or officers for the defense of any proceeding, whether contained in the Articles, Bylaws, a resolution directors or members as appropriate, or an agreement, or otherwise, shall be valid unless consistent with this Article XII. Nothing contained in this Article XII shall affect any right to indemnification to which persons other than such directors or members as appropriate, and officers may be entitled by contract or otherwise.

SECTION 8. Forms of Indemnification Not Permitted:

No indemnification or advance shall be made under this Article XII, except as provided in Section 4 or 5(b), in any circumstances where it appears:

- (a) That it would be inconsistent with a provision of the Articles, these By-laws, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or
- (b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

EXECUTIVE COMMITTEE AGENDA ITEM DETAIL SHEET

ISSUE: California Youth Leadership Forum (YLF) request for sponsorship.

BACKGROUND: The California State Council on Developmental Disabilities (SCDD) supports events that promote self-advocacy, leadership and education, thereby enabling people with developmental disabilities and their family members to expand their knowledge and skills.

ANALYSIS/DISCUSSION: This is an exclusive invitation for California high school juniors and seniors who have all different types of disabilities to apply to the California Youth Leadership Forum for Students with Disabilities (YLF).

This program is provided to accepted students with disabilities at no cost to them.

YLF is an annual five day leadership program that provides information and resources about employment, education, independence and assistive technology. YLF is held in Sacramento, and students will stay in the dorms on campus at California State University, Sacramento.

Students will have the opportunity to live on a college campus and join more than 1,200 alumni from across the state that have been a part of this unique program created specifically for young leaders with disabilities. Students who attend YLF make new, life-long friendships and resource connections to help them reach their personal, academic, and career goals.

COUNCIL STRATEGIC PLAN GOAL/OBJECTIVE: Individuals with developmental disabilities, their families and their support and/or professional staff will increase their knowledge and skills so as to effectively access needed educational and/or community-based services through at least 225 trainings, conferences, workshops, webinars, and/or resource materials developed by the Council on topics such as rights under IDEA, rights under California's Lanterman Act etc. on an annual basis.

PRIOR COUNCIL ACTIVITY: Since the beginning of FY 2013-14, the Council has awarded \$9,946.00 for sponsorship requests. The Council allocates \$25,000 per fiscal year for sponsorships. The fiscal year began July 1, 2013. In past years, the Council awarded \$10,000 to the YLF.

STAFF RECOMMENDATION: Award funding to California Youth Leadership Forum (YLF).

ATTACHMENTS(S): California Youth Leadership Forum for Students with Disabilities (YLF) request for sponsorship request for sponsorship.

PREPARED: Kristie Allensworth March 4, 2014

Youth Leadership Forum for Students with Disabilities (YLF)

This is an exclusive invitation for California high school juniors and seniors who have all different types of disabilities to apply to the California Youth Leadership Forum for Students with Disabilities (YLF).

Student delegate applications are now available for the 2014 YLF, to be held July 21-25, 2014 in Sacramento, CA. **This program is provided to accepted students with disabilities at no cost to them.**

YLF is an annual five day leadership program that provides information and resources about employment, education, independence and assistive technology. YLF is held in Sacramento, and students will stay in the dorms on campus at California State University, Sacramento.

Students will have the opportunity to live on a college campus and join more than 1,200 alumni from across the state that have been a part of this unique program created specifically for young leaders with disabilities. Students who attend YLF make new, life-long friendships and resource connections to help them reach their personal, academic, and career goals.

Alumni of the California Youth Leadership Forum say it has forever changed their lives for the better.

You can go to www.dor.ca.gov/YLF to download the application (in PDF and accessible Word versions), as well as further information on the program and instructions on how to apply.

Deadline to submit applications: February 28th, 2014.

*Please remember to read the instructions carefully, there are key points for applying to this year's YLF. Example, applications must be submitted electronically or may not be accepted. Also, incomplete applications may not be accepted. If you experience any difficulty in filling out this application, we can help you. Please contact us by email at YLF@dor.ca.gov, by phone at (855) 894-3436, or by relay using 711.

DETAIL SHEET

Funding and RFP for Area Board Mini-Grants

ISSUE: Program Development Committee (PDC) recommendation for funding area board mini-grants. RFP for area board mini grants.

SUMMARY: The Administrative Committee informed the PDC that they will recommend to the Council that \$350,000 be budgeted for Cycle 37 grants (fiscal year 2014/15).

The Program Development Committee recommends that each area board be allocated \$20,000 for mini-grants in their regions, for a total of \$260,000 for the 13 areas. The remainder of the \$350,000 would be available for self-advocacy support grants, for determination at a later Council meeting. The RFP for area board mini-grants is presented for approval.

COUNCIL STRATEGIC PLAN GOALS/OBJECTIVES: N/A

PRIOR COUNCIL ACTIVITY: The Council has allocated \$650,000 for Cycle 36 grants (current fiscal year): A \$360,000 grant to JNCS on employment for transition age youth, a \$160,000 grant to CAPC for self-advocacy support, and \$130,000 for area board mini-grants. Area Board mini-grants have ranged in size from \$10,000 each to \$35,000. The current year grants are \$10,000. The November 2013 Council meeting decided to allow each area board to determine which State Plan goals would be the focus of the mini-grant for their area.

ANALYSIS/DISCUSSION: The Administration Committee has determined that the Council has an on-going structural deficit. This structural deficit will increase in the next fiscal year, due to salary increases for state employees. A reduction in grants from \$650,000 to \$350,000 would help close the deficit. The Council has had unexpended funds available from previous years. However, these have been used to cover expenses due to the current cost-reimbursement procedures instituted by AIDD against the Council. Due to delays in AIDD approval of expenses and the tremendous financial uncertainty around the cost-reimbursement procedure, these roll-over funds cannot be counted on to increase funds available for grants in Cycle 37. Therefore, the Administrative Committee

informed the PDC that they are recommending \$350,000 be available for Cycle 37 grants, including self-advocacy support grant(s).

The PDC could therefore choose to recommend funding either a statewide grant process for less than \$300,000 or the area board mini-grants at the level the PDC was recommending. The PDC is recommending funding the mini-grants in part because the area boards have already gone through their procedure to determine which State Plan goals they will focus their grants on. Also, the PDC was not able to work with the State Plan Committee, as it has not yet been re-constituted, to identify how to focus a statewide grant.

Staff discussed with several Area Board directors and confirmed that the size of the grant for this year (\$10,000) limited the variety and quality of the proposals received by the Area Boards. The costs of putting together a proposal must be weighed by applicants against the limited size of the award. The small size of the grant also tends to draw smaller organizations with little grant experience. Therefore, the PDC recommends that the area board grant size be increased to 20,000 per area board.

PDC RECOMMENDATIONS: (1) Cycle 37 Area Board mini-grants be funded at the level of \$20,000 per year. (2) \$90,000 be set aside for possible self-advocacy grants. (3) Approval of the Cycle 37 Request for Proposal for Cycle 37 area board mini-grants.

ATTACHMENT(S): Cycle 37 RFP for Area Board Mini-Grants

PREPARED: Mark Polit, March 6, 2014

DETAIL SHEET

AB 2299 (Nazarian) Requiring RC Payment of Co-Pays and Deductibles

ISSUE: AB 2299 (Nazarian) would require regional centers to reimburse families and consumers for the costs of copays, co-insurance, and deductibles for therapies determined necessary by their IPP.

SUMMARY: The Council co-sponsored similar legislation last year with Autism Speaks. They are asking us to co-sponsor again with them this year.

COUNCIL STRATEGIC PLAN Goal: Public policy in California promotes the independence, productivity, inclusion, and self-determination, of individuals with developmental disabilities and their families.

PRIOR COUNCIL ACTIVITY: In 2013, the Council co-sponsored SB 163 (Hueso) which would have required that regional centers reimburse families for the costs of insurance copays, coinsurance and deductibles when the therapy is required by the IPP. The bill failed. The Council vigorously opposed budget trailer bill language (that passed) that limited the ability of regional centers to pay copays and co-insurance and forbid reimbursements of deductible costs associated with those therapies.

At the January 2014 meeting, the Council voted to prioritize reimbursements of copays, coinsurance, and deductibles as one of six budget reductions to be restored.

BACKGROUND: In 2010, SB 946 (Steinberg) was signed into law, mandating that private insurance companies cover autism related behavioral health treatments as a medical expense. The autism community and other disability advocates worked hard in support of this legislation, so that families would have access to autism interventions through their private insurance. This requirement also leads to cost savings for the DDS and regional center budget, since it effectively transfers costs of certain autism interventions from the regional centers to private insurance, when parents have that coverage.

As a cost saving measure, the Budget Act of 2013 forbid regional centers to reimburse families for deductibles associated with IPP related therapies, and placed limits on the RC's ability to reimburse for copays and co-insurance costs. This places a huge financial burden on families, causing many to drop their child from their family insurance plan, so that regional centers would then have to pay the full cost of the therapy. Other families simply reduce the intensity of services or drop the needed therapies for their child.

ANALYSIS/DISCUSSION: AB 2299 is still just an intent bill. However, the sponsor's intent is to have the bill accomplish the same thing as SB 163 tried to accomplish. Staff has reviewed the draft language of the bill (which is not yet public), and it very clearly would accomplish the same thing: Requiring regional centers to reimburse families for copay, coinsurance, and deductible costs associated with therapies deemed necessary by the IPP.

LPPC RECOMMENDATION(S): Co-Sponsor AB 2299 (Nazarian).

ATTACHMENT(S): AB 2299 intent bill; AB 2299 fact sheet; Council support letter of SB 163 (Hueso); Council support letter of SB 126 (Steinberg), extending the sunset for SB 946.

PREPARED: Mark Polit, March 6, 2014

DETAIL SHEET

AB 1626 (Maienschein) Supported Employment Rate Restoration

ISSUE: AB 1626 (Maienschein), 10% Supported Employment Program (SEP) job coach rate increase.

SUMMARY: AB 1626 (Maienschein) would increase the hourly job coaching rate paid to providers of individualized and group supported employment services to \$34.24. This would restore the 10% supported employment rate cut of 2008.

BACKGROUND: In 2007, the state increased the SEP job coaching rate by 26% to \$34.24/hour. This was the first increase in over twenty years. Those historically low rates cause SEP to decline over time, as providers complained they would lose money on those low rates. Providers argued that a 26% increase would incentivize employment, so that more people would get jobs, pay taxes, and not attend more expensive day programs. Those gains did not materialize, in part because of the onset of the great recession and in part because the state, seeing no immediate gain in employment, reduced the rate 10% to \$30.82 per hour the next year.

The 4.25% rate reductions suffered by other services during the great recession have now been restored. SEP providers are now asking for their 10% reduction to be restored.

DISCUSSION/ANALYSIS: This bill would raise the job coaching rate by 10% for Individual Placement Supported Employment Programs (SEP), which is a major method to support individuals with significant disabilities in integrated competitive employment. This bill would also raise the job coaching rate for Group SEP, which often pays workers sub-minimum wage. Some members of the Employment First Committee expressed concerns about raising rates for programs that pay their workers sub-minimum wage.

Increased rates would encourage more providers to support people with developmental disabilities in both individual and group settings.

Increasing rates was not set as a priority restoration by the Council. However, we may still support bills on rate restorations and lend support to our allies in the stakeholder community.

LPPC RECOMMENDATION: Support AB 1626 (Maienschein), 10% Supported Employment job coach rate increase.

EFC RECOMMENDATION: The Employment First Committee made no recommendation on this bill.

ATTACHEMNTS: AB 1626

PREPARED: Mark Polit, March 21, 2014

EXECUTIVE COMMITTEE AGENDA ITEM DETAIL SHEET

ISSUE: Regional Center Conflict of Interest (COI)

SUMMARY: Statutory language in Welfare & Institutions Code and state regulations require both the Council and appropriate local area board to review and approve or disapprove a waiver of conflict of interest (COI) for regional center board members and regional center executive directors.

BACKGROUND/ISSUES/ANALYSIS: Three requests for a waiver of conflict of interest have been presented to the Council since the last meeting. Due to a loss of quorum at the Council meeting, the following waiver requests have now been referred to the Executive Committee for consideration:

1. **FNRC Board member** – Susan Hess. Ms. Hess submitted a conflict of interest plan and stated that she had a conflict due to part-time employment with three FNRC-vendored service providers. Her husband is also employed by one of the providers. FNRC opined that no conflict existed with respect to two of the employers because they interpreted the WIC 4626(c) exception to apply in this instance. 4626(c) states that:

“A person with a developmental disability who receives employment services through a regional center provider shall not be precluded from serving on the governing board of a regional center based solely on receipt of these employment services.”

Although two of Ms. Hess' employers are providers of employment services, Ms. Hess is not receiving employment services from them; she is a competitively employed staff person of these agencies.

FNRC did concur that a COI existed with respect to Ms. Hess' employment with one of the providers. It should be noted that SCDD and Area Board 2 approved a waiver of COI for Ms. Hess in 2013. Area Board 2 has not yet acted on this 2014 request. The Executive

Committee may act to approve or disapprove or may postpone a decision until the May council meeting.

2. **FNRC Board member** – Michelle Phillips. Ms. Phillips stated that she had a conflict due to the fact that her sister is the Director of “Parent and Infant Program”, a FNRC-vendored service provider. She was previously granted a conflict of interest waiver in 2012 and 2013 by Area Board 2 and the SCDD. Area Board 2 has not yet acted on this request for a waiver. The Executive Committee may choose to approve or disapprove this request or it may withhold action pending action from Area Board 2. Since the request for a waiver was received by the Council on February 21, 2014 and both the Council and area board are afforded 90 days to respond to the request, the Council could postpone a decision until the May meeting should it so choose.
3. **FNRC Board member** – Colleen Ryberg. Ms. Ryberg stated that she had a conflict due to the fact that her daughter-in-law is vendored by FNRC as an occupational therapist, averaging fewer than five clients per month. She was previously granted a conflict of interest waiver in 2013 by Area Board 2 and the SCDD. Area Board 2 has not yet acted on this request for a waiver. The Executive Committee may choose to approve or disapprove this request or it may withhold action pending action from Area Board 2. Since the request for a waiver was received by the Council on February 21, 2014 and both the Council and area board are afforded 90 days to respond to the request, the Council could postpone a decision until the May meeting should it so choose.

COUNCIL STRATEGIC PLAN OBJECTIVE: None

ATTACHMENTS: COI statements and letters from FNRC for Ms. Hess, Ms. Phillips, and Ms. Ryberg.

PREPARED: Roberta Newton, March 21, 2014



Laura Larson
Executive Director

Far Northern Regional Center

Providing services and supports that allow persons with developmental disabilities to live productive and valued lives.

February 21, 2014

Allan Smith
Regional Center Operations Section
Department of Developmental Services
1600 Ninth Street, Room 320 (MS 3-9)
Sacramento, CA 95814

Re: Request for Waiver of Potential Conflict of Interest –
FNCC Board Member Susan Hess

Dear Mr. Smith:

FNCC Board member **Susan Hess** (who is also a FNRC consumer) has disclosed a potential conflict of interest under California Code of Regulations, Title 17, section 54500. *et seq.* She is requesting a conflict waiver.

Specifically, Mrs. Hess is employed as a receptionist for the Rowell Family Empowerment Center in Butte County ("Rowell"). Rowell is a designated California Family Resource Center that provides support, education and advocacy for families of children with disabilities. Mrs. Hess works only 10 hours per week for Rowell. Her duties are entirely clerical.

In addition, Mrs. Hess works for ARC of Butte County and for AMJaMB, again doing clerical/telephone work. Both of these employers are providers of employment services to consumers, and fall within the conflict exception provided under Welfare & Institutions Code section 4626(c).

Mrs. Hess further disclosed that her husband, Ted Hess, who is also a FNRC consumer, is employed by ARC of Butte County and by AMJaMB. Again, ARC and AMJaMB are both FNRC vendors that are providers of employment services to consumers (*see* Welfare & Institutions Code section 4626(c)). Ted Hess works at ARC and AMJaMB as part of his day program.

Mrs. Hess disclosed similar conflict information in 2013, and a conflict waiver was requested at that time. The waiver was approved by the Area Board 2 on April 17, 2013, and by the State Council on May 20, 2013. (See attached.) FNRC has no record of action taken by the Department of Developmental Services.

www.farnorthernrc.org

☐ REDDING MAIN OFFICE: P. O. Box 492418 Redding, CA 96049-2418 1900 Churn Creek Rd, Suite 319 Redding, CA 96002-0277 (530) 222-4791 Fax (530) 222-8908

☐ CHICO OFFICE: 1377 East Lassen Ave. Chico, CA 95973-7824 (530) 895-8633 FAX (530) 332-1497

☐ REGIONAL OFFICES in: Lake Almanor and Mount Shasta

Allan Smith
February 21, 2014
Page 2

Mrs. Hess has proposed a plan to mitigate any conflict that might be presented, and has renewed her request for a conflict waiver. (See Proposed Conflict of Interest Resolution Plan, attached.)

The Board Chairperson, with support from the remaining Board members, shall be responsible for ensuring that the conditions stated in the plan are applied.

This letter, with its attachments, serves as a Request for Waiver as prescribed by California Code of Regulations, Title 17, section 54533.

Please contact Executive Director Laura Larson if you have any questions concerning this matter.

Thank you for your assistance.

Sincerely,



LAURA L. LARSON
Executive Director



RONDA DEVER
Chairperson, FNCC Board of Directors

Encls: Conflict of Interest Reporting Statement – Susan Hess
Proposed Conflict of Interest Resolution Plan
Area Board 2 letter approving waiver dated April 17, 2013
State Council letter approving waiver dated May 20, 2013

cc: Area II Board
✓ State Council
FNCC Executive Committee
Susan Hess

CONFLICT OF INTEREST REPORTING STATEMENT **DS 6016 (New 08/2012)**

The duties and responsibilities of your position with the regional center require you to file this Conflict of Interest Reporting Statement. The purpose of this statement is to assist you, the regional center and the Department of Developmental Services (DDS) to identify any relationships, positions or circumstances involving you which may create a conflict of interest between your regional center duties and obligations, and any other financial interests and/or relationships that you may have. In order to be comprehensive, this reporting statement requires you to provide information with respect to your financial interests.

A "conflict of interest" generally exists if you have one or more personal, business, or financial interests, or relationships that would cause a reasonable person with knowledge of the relevant facts to question your impartiality with respect to your regional center duties. The specific circumstances and relationships which create a conflict of interest are set forth in the California Code of Regulations, title 17, sections 54500 through 54530. You should review these provisions to understand the specific financial interests and relationships that can create a conflict of interest.

Please answer the following questions to the best of your knowledge. If you find a question requires further explanation and/or there is not enough space to thoroughly answer the question, please attach as many additional sheets as necessary, and refer to the question number next to your answer. If the regional center identifies a conflict involving you, it will be required to prepare a conflict resolution plan. Some relevant definitions have been provided in the footnotes to assist you in responding to this statement.

You are required to file this Reporting Statement within 30 days of beginning your employment with the regional center or from the date that you are appointed to the regional center board or advisory committee board. You are then required to file an annual Reporting Statement by August 1st of every year while you remain employed with the regional center or while you are a member of the regional center board or advisory committee board. You must also file a Reporting Statement within 30 days of any change in your status that could result in a conflict of interest. Circumstances that can constitute a change in your status that can require you to file an updated Reporting Statement are described below in footnote one.

A. INFORMATION OF REPORTING INDIVIDUAL

Name: Susan Hess Regional Center: ENRC

Regional Center Position/Title: ☒ Governing Board Member ☐ Executive Director
☐ Vendor Advisory Committee sitting on Board ☐ Employee
☐ Contractor ☐ Agent ☐ Consultant

Reporting Status: ☒ Annual ☐ New Appointment (date): _____
☐ Change of Status¹

If a change in status, date and circumstance of change in status:

1. Please list your job title and describe your job duties at the regional center.

Member of Board of Directors

¹ Change of status includes reporting a previously unreported activity that should have been reported, change in the circumstance of a previously reported activity, change in financial interest, familial relationship, legal commitment, change in regional center position or duties, or change to outside position or duties. See California Code of Regulations, title 17, sections 54531(d) and 54532(d).

<input checked="" type="checkbox"/>	Governing Board Member
<input type="checkbox"/>	Vendor Advisory on Board
<input type="checkbox"/>	Executive Director
<input type="checkbox"/>	Employee/Other

2. Do you or a family member² work for any entity or organization that is a regional center provider or contractor?
☒ yes ☐ no -- If yes, provide the name of the entity or organization and describe what services it provides for the regional center or regional center consumers. If the provider or contractor is a state or local entity, provide the specific name of the state or local entity and describe your job duties at the state or local entity.

① Rowell Family Center - 10 hr/week

② ARC - 2 hr/week

③ ~~College~~ Connection - 1 hr/week

Husband: ① ~~College~~ Connection - janitor

② ARC

3. Do you or a family member own or hold a position³ in an entity or organization that is a regional center provider or contractor? ☐ yes ☐ no -- If yes, provide the name of the entity or organization, describe what services it provides for the regional center or regional center consumers, and describe your or your family member's financial interest.

See #2

4. Are you a regional center advisory committee board member? ☐ yes ☒ no -- If yes, are you a member of the governing board or owner or employee of an entity or organization that provides services to the regional center or regional center consumers? ☐ yes ☐ no -- If yes, provide the name of the entity or organization and describe what services it provides for the regional center or regional center consumers.

5. If you are a regional center advisory committee board member and answered yes to all the questions in Question 4 above, do any of the following apply to you: (a) are you an officer of the regional center board; (b) do you vote on purchasing services from a regional center provider; or (c) do you vote on matters where you might have a financial interest? ☐ yes ☐ no -- If yes, please explain.

N/A

² Family member includes your spouse, domestic partner, parents, stepparents, grandparents, siblings, stepsiblings, children, stepchildren, grandchildren, and in-laws. See California Code of Regulations, title 17, sections 54505(f).

³ For purposes of this question, hold a position generally means that you or a family member is a director, officer, owner, partner, employee, or shareholder of an entity or organization that is a regional center provider or contractor. For a specific description of positions that create a conflict of interest in a regional center provider or contractor see the California Code of Regulations, title 17, sections 54520 and 54526.

6. Do any of the decisions you make when performing your job duties with the regional center have the potential to financially benefit you or a family member⁴? ☐ yes ☒ no -- If yes, please explain.

7. Are you responsible for negotiating, making,⁵ executing or approving contracts on behalf of the regional center? ☒ yes ☐ no -- If yes, please explain.

Voting member of Board

Pursuant to Welfare & Institutions Code section 4625.5 and related provisions.

8. Do you have a financial interest in any contract⁶ with the regional center? ☐ yes ☒ no -- If yes, did you negotiate, make, execute or approve the contract on behalf of the regional center? ☐ yes ☐ no -- If yes, please explain.

9. Do any of your family members have a financial interest in any contract with the regional center? ☐ yes ☒ no -- If yes, did you negotiate, make, execute or approve the contract on behalf of the regional center? ☐ yes ☐ no -- If yes, please explain.

⁴ Generally, a decision can financially benefit you or a family member if the decision can either directly or indirectly cause you or a family member to receive a financial gain or avoid a financial loss. For a specific description of the types of decisions that can result in a financial benefit to you or a family member see the California Code of Regulations, title 17, sections 54522 and 54527.

⁵ California Code of Regulations, title 17, sections 54523(b)(2) and 54528(b)(2) describes the types of conduct which constitute involvement in the making of a contract.

⁶ For purposes of questions 8 and 9, a financial interest in a contract generally means any direct or indirect interest in a contract that can cause you or a family member to receive any sort of financial gain or avoid any sort of financial loss irrespective of the dollar amount. California Code of Regulations, title 17, sections 54523 and 54528 define when financial interests in a contract will occur.

<input type="checkbox"/> Governing Board Member
<input type="checkbox"/> Vendor Advisory on Board
<input type="checkbox"/> Executive Director
<input type="checkbox"/> Employee/Other

10. Do you evaluate employment applications or contract bids that are submitted by your family member(s)?
☐ yes ☒ no -- If yes, please explain.

11. Your job duties require you to act in the best interests of the regional center and regional center consumers. Do you have any circumstances or other financial interests not already discussed above that would prevent you from acting in the best interests of the regional center or its consumers? ☐ yes ☒ no -- If yes, please explain.

B. ATTESTATION

I, SUSAN HESS (print name) HEREBY CONFIRM that I have read and understand the regional center's Conflict of Interest Policy and that my responses to the questions in this Conflict of Interest Reporting Statement are complete, true, and correct to the best of my information and belief. I agree that if I become aware of any information that might indicate that this statement is not accurate or that I have not complied with the regional center's Conflict of Interest Policy or the applicable conflict of interest laws, I will notify the regional center's designated individual immediately. I understand that knowingly providing false information on this Conflict of Interest Reporting Statement shall subject me to a civil penalty in an amount up to fifty thousand dollars (\$50,000) pursuant to Welfare and Institutions Code section 4626.

Signature Susan Hess Date 1-24-14

INTERNAL USE ONLY

Date this Statement was received by Reviewer:

The reporting individual ☒ does ☐ does not have a ☐ present ☒ potential conflict of interest

Signature of Designated Reviewer

Date Review Completed

Lana Lars Executive Director

1/29/2014

February 7, 2014

Board of Directors and
Laura Larson, Executive Director
Far Northern Regional Center
P.O. Box 492418
Redding, CA 96049-2418

Re: Proposed Conflict of Interest Resolution Plan –
Board of Directors Member Susan Hess

TO THE BOARD OF DIRECTORS AND EXECUTIVE DIRECTOR OF FAR NORTHERN
REGIONAL CENTER:

I have been a member of Far Northern Regional Center's Board of Directors since January 2013. I am a Far Northern Regional Center ("FNRC") consumer and a representative of Butte County.

On January 24, 2014, I completed my annual Conflict of Interest Reporting Statement that disclosed a potential conflict of interest I may have as a member of the Board of Directors. The purpose of this letter is to propose a plan to resolve the potential conflict, and to ask for approval of a conflict waiver.

I work ten hours per week as a receptionist for the Rowell Family Empowerment Center in Butte County ("Rowell"). Rowell is a designated California Family Resource Center that provides support, education and advocacy for families of children with disabilities. My job at Rowell is entirely clerical.

In addition, I work two hours per week for ARC of Butte County, a FNRC vendor and provider of employment services for persons with developmental disabilities. Finally, I work one hour per week for AMJaMB, another provider of employment services, in the "call connection" where I talk on the telephone with other regional center consumers.

It is my understanding that Welfare & Institutions Code section 4626(c) provides an exception to conflict of interest rules when a board member who is a consumer works for a provider of consumer employment services.

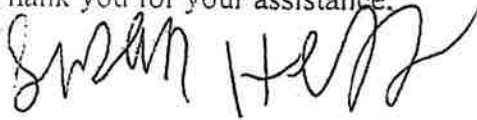
My husband, Ted Hess, is also a FNRC consumer, and works for ARC of Butte County in its thrift store and for AMJaMB/call connection as part of his day program.

Under the circumstances, there may be situations when a conflict of interest could come up. As a result, I have worked on a plan to avoid any actual conflict:

1. As a member of FNRC's Board of Directors I will not make any recommendation, participate in any discussion or vote on any contract regarding Rowell, ARC, or AMJaMB;
2. Should these issues arise during the course of a FNRC Board of Directors' meeting, I will excuse myself from the room;
3. I will not access any files kept by FNRC relating to Rowell, ARC or AMJaMB;
4. I will not participate individually, or as part of a group, in the preparation, presentation, formulation or approval of plans, policies, analyses, or recommendations pertaining to Rowell, ARC or AMJaMB.

I believe that this plan will resolve or mitigate any potential conflict of interest.

Thank you for your assistance.

A handwritten signature in black ink, appearing to read "Susan Hess", written over the typed name.

SUSAN HESS
Member, FNRC Board of Directors



Area Board 2

State Council on
Developmental
Disabilities

April 17, 2013

BUTTE

GLENN

Jorge A. Aguilar, Chair
State Council on Developmental Disabilities
1507 21st Street, Suite 210
Sacramento, CA 95811

LASSEN

Dear Mr. Aguilar:

MODOC

This is in regards to the request from Far Northern Regional Center to the Department of Developmental Disabilities to grant a waiver regarding the Conflict of Interest for Susan Hess.

PLUMAS

At the April 11, 2013 Area Board 2 meeting, the board discussed the conflict of waiver request for Ms. Hess and took into consideration, Welfare and Institutions Code Sections 4655 *et seq.* and Title 17 Section 54520, the following constitute conflicts of interest for regional center board members:

SISKIYOU

"When a member of the board or their family member is: a) a director, officer, owner, partner, shareholder, trustee or employee of any business entity or provider, b) holds any position of management in any business entity or provider or, 3) has decision or policymaking authority in such an entity or provider."

SHASTA

Far Northern Regional Center has devised a plan to avoid any conflict of interest regarding the regional center vendors, "Rowell Family Empowerment of Northern California" and "Arc of Butte County" by having Ms. Hess abstain from any voting or other processes involved with these particular vendors. Therefore, the board voted unanimously to approve the Conflict of Interest Waiver for Ms. Hess.

TEHAMA

Sincerely,

TRINITY

Sarah M. May, Executive Director
Area Board 2



Cc: Roberta Newton, SCDD Interim Executive Director
Laura Larson, FNRC Executive Director

Attachments



State Council on Developmental Disabilities

• website • www.scdd.ca.gov • email • council@scdd.ca.gov

1507 21st Street, Suite 210
Sacramento, CA 95811



STATE OF CALIFORNIA

Edmund G. Brown Jr.
Governor

(916) 322-8481
(916) 443-4957 fax
(916) 324-8420 TTY

May 20, 2013

Allan Smith
Community Services Division
Department of Developmental Services
1600 9th Street, Rm. 320, MS 3-9
Sacramento, CA 95814

Dear Mr. Smith:

On April 9 2013, after receiving delegation authority from the State Council on Developmental Disabilities (SCDD), the Executive Committee of SCDD considered the waiver request submitted by Far Northern Regional Center on behalf of Ms. Susan Hess.

The Executive Committee reviewed Ms. Hess's conflict of interest plan. After careful consideration of the relevant materials, the Executive Committee took action to approve this waiver request. This waiver is approved for a one year period and we urge the regional center to expand their recruitment for additional self-advocates that do not have a conflict of interest.

If you have any questions or concerns, please feel free to contact Melissa C. Corral, Staff Counsel at 916-322-8481.

Sincerely,

JORGE AGUILAR
Chairperson

Cc: Laura Larsen, Executive Director, Far Northern Regional Center
Stephen Bell, Chairperson, Far Northern Regional Center
Sarah May, Executive Director, Area Board 2

"The Council advocates, promotes & implements policies and practices that achieve self-determination, independence, productivity & inclusion in all aspects of community life for Californians with developmental disabilities and their families."



Laura Larson
Executive Director

Far Northern Regional Center

Providing services and supports that allow persons with developmental disabilities to live productive and valued lives.

February 21, 2014

Allan Smith
Regional Center Operations Section
Department of Developmental Services
1600 Ninth Street, Room 320 (MS 3-9)
Sacramento, CA 95814

Re: Request for Waiver of Potential Conflict of Interest –
FNCC Board Member Michelle Phillips

Dear Mr. Smith:

FNCC Board member **Michelle Phillips** (Sedillos), in her annual Conflict of Interest Reporting Statement, has disclosed a potential conflict of interest under California Code of Regulations, Title 17, section 54500, *et seq.* She is requesting a renewed conflict waiver.

This conflict information was previously disclosed by Ms. Phillips in 2012 and 2013, and conflict waivers were requested. A copy of a letter from Brian Winfield of your office dated February 22, 2013 approving a waiver (under specified conditions) is attached.

Ms. Phillips' sister is the Parent and Infant Program (PIP) Director in Chico, California. PIP is a service provider for Far Northern Regional Center.

Ms. Phillips' sister is an independent adult who does not reside with her. Ms. Phillips does not receive any financial benefit as a result of her sister's employment.

Nevertheless, as a result of a perceived or actual conflict, Ms. Phillips has proposed a plan to avoid and/or mitigate any conflict. (*See Proposed Conflict of Interest Resolution Plan, attached.*)

The Board Chairperson, with support from the remaining Board members, shall be responsible for ensuring that the conditions stated in the plan are applied.

This letter, with its attachments, serves as a Request for Waiver as prescribed by California Code of Regulations, Title 17, section 54533.

www.farnorthernrc.org

Allan Smith
February 21, 2014
Page 2

Please contact Executive Director Laura Larson if you have any questions concerning this matter.

Thank you for your assistance.

Sincerely,


LAURA L. LARSON
Executive Director


RONDA DEVER
Chairperson, FNCC Board of Directors

Encls: Conflict of Interest Reporting Statement – Michelle Phillips
Proposed Conflict of Interest Resolution Plan – Michelle Phillips
(w/attachment – Winfield letter February 22, 2013)

cc: Area II Board
✓ State Council
FNCC Executive Committee
Michelle Phillips

CONFLICT OF INTEREST REPORTING STATEMENT
DS 6016 (New 08/2012)

The duties and responsibilities of your position with the regional center require you to file this Conflict of Interest Reporting Statement. The purpose of this statement is to assist you, the regional center and the Department of Developmental Services (DDS) to identify any relationships, positions or circumstances involving you which may create a conflict of interest between your regional center duties and obligations, and any other financial interests and/or relationships that you may have. In order to be comprehensive, this reporting statement requires you to provide information with respect to your financial interests.

A "conflict of interest" generally exists if you have one or more personal, business, or financial interests, or relationships that would cause a reasonable person with knowledge of the relevant facts to question your impartiality with respect to your regional center duties. The specific circumstances and relationships which create a conflict of interest are set forth in the California Code of Regulations, title 17, sections 54500 through 54530. You should review these provisions to understand the specific financial interests and relationships that can create a conflict of interest.

Please answer the following questions to the best of your knowledge. If you find a question requires further explanation and/or there is not enough space to thoroughly answer the question, please attach as many additional sheets as necessary, and refer to the question number next to your answer. If the regional center identifies a conflict involving you, it will be required to prepare a conflict resolution plan. Some relevant definitions have been provided in the footnotes to assist you in responding to this statement.

You are required to file this Reporting Statement within 30 days of beginning your employment with the regional center or from the date that you are appointed to the regional center board or advisory committee board. You are then required to file an annual Reporting Statement by August 1st of every year while you remain employed with the regional center or while you are a member of the regional center board or advisory committee board. You must also file a Reporting Statement within 30 days of any change in your status that could result in a conflict of interest. Circumstances that can constitute a change in your status that can require you to file an updated Reporting Statement are described below in footnote one.

A. INFORMATION OF REPORTING INDIVIDUAL

Name: Michelle Phillips (Sedillo) Regional Center: Far Northern

Regional Center Position/Title: ☒ Governing Board Member ☐ Executive Director
☐ Vendor Advisory Committee sitting on Board ☐ Employee
☐ Contractor ☐ Agent ☐ Consultant

Reporting Status: ☒ Annual ☐ New Appointment (date): _____
☐ Change of Status¹

If a change in status, date and circumstance of change in status:

1. Please list your job title and describe your job duties at the regional center.

I am a life size I am a board member

¹ Change of status includes reporting a previously unreported activity that should have been reported, change in the circumstance of a previously reported activity, change in financial interest, familial relationship, legal commitment, change in regional center position or duties, or change to outside position or duties. See California Code of Regulations, title 17, sections 54531(d) and 54532(d).

2. Do you or a family member² work for any entity or organization that is a regional center provider or contractor?
☒ yes ☐ no – If yes, provide the name of the entity or organization and describe what services it provides for the regional center or regional center consumers. If the provider or contractor is a state or local entity, provide the specific name of the state or local entity and describe your job duties at the state or local entity.

My sister is the program manager at the Parent Incentive Program and I work at the same place. This Board Member is a consumer who is employed by a provider of employment services and falls within the exception provided in Welfare & Institutions Code section 4626(c).

3. Do you or a family member own or hold a position³ in an entity or organization that is a regional center provider or contractor? ☒ yes ☐ no – If yes, provide the name of the entity or organization, describe what services it provides for the regional center or regional center consumers, and describe your or your family member's financial interest. mom is on the PRC Board

4. Are you a regional center advisory committee board member? ☐ yes ☒ no – If yes, are you a member of the governing board or owner or employee of an entity or organization that provides services to the regional center or regional center consumers? ☐ yes ☐ no – If yes, provide the name of the entity or organization and describe what services it provides for the regional center or regional center consumers.

5. If you are a regional center advisory committee board member and answered yes to all the questions in Question 4 above, do any of the following apply to you: (a) are you an officer of the regional center board; (b) do you vote on purchasing services from a regional center provider; or (c) do you vote on matters where you might have a financial interest? ☐ yes ☒ no – If yes, please explain.

² Family member includes your spouse, domestic partner, parents, stepparents, grandparents, siblings, stepsiblings, children, stepchildren, grandchildren, and in-laws. See California Code of Regulations, title 17, sections 54505(f).

³ For purposes of this question, hold a position generally means that you or a family member is a director, officer, owner, partner, employee, or shareholder of an entity or organization that is a regional center provider or contractor. For a specific description of positions that create a conflict of interest in a regional center provider or contractor see the California Code of Regulations, title 17, sections 54520 and 54526.

6. Do any of the decisions you make when performing your job duties with the regional center have the potential financially benefit you or a family member⁴? ☐ yes ☒ no -- If yes, please explain.

7. Are you responsible for negotiating, making,⁵ executing or approving contracts on behalf of the regional center? ☒ yes ☐ no -- If yes, please explain.

Pursuant to Welfare & Institutions Code section 4625.5 and related provisions.

8. Do you have a financial interest in any contract⁶ with the regional center? ☐ yes ☒ no -- If yes, did you negotiate, make, execute or approve the contract on behalf of the regional center? ☐ yes ☐ no -- If yes, please explain.

9. Do any of your family members have a financial interest in any contract with the regional center? ☐ yes ☒ no
 If yes, did you negotiate, make, execute or approve the contract on behalf of the regional center? ☐ yes ☐ no
 If yes, please explain.

⁴ Generally, a decision can financially benefit you or a family member if the decision can either directly or indirectly cause you or a family member to receive a financial gain or avoid a financial loss. For a specific description of the types of decisions that can result in a financial benefit to you or a family member see the California Code of Regulations, title 17, sections 54522 and 54527.

⁵ California Code of Regulations, title 17, sections 54523(b)(2) and 54528(b)(2) describes the types of conduct which constitute involvement in the making of a contract.

⁶ For purposes of questions 8 and 9, a financial interest in a contract generally means any direct or indirect interest in a contract that can cause you or a family member to receive any sort of financial gain or avoid any sort of financial loss irrespective of the dollar amount. California Code of Regulations, title 17, sections 54523 and 54528 define when financial interests in a contract will occur.

- ☒ Governing Board Member
- ☐ Vendor Advisory on Board
- ☐ Executive Director
- ☐ Employee/Other

10. Do you evaluate employment applications or contract bids that are submitted by your family member(s)?
☐ yes ☒ no -- If yes, please explain.

11. Your job duties require you to act in the best interests of the regional center and regional center consumers. Do you have any circumstances or other financial interests not already discussed above that would prevent you from acting in the best interests of the regional center or its consumers? ☐ yes ☒ no -- If yes, please explain.

B. ATTESTATION

I Michelle Phillips (print name) HEREBY CONFIRM that I have read and understand the regional center's Conflict of Interest Policy and that my responses to the questions in this Conflict of Interest Reporting Statement are complete, true, and correct to the best of my information and belief. I agree that if I become aware of any information that might indicate that this statement is not accurate or that I have not complied with the regional center's Conflict of Interest Policy or the applicable conflict of interest laws, I will notify the regional center's designated individual immediately. I understand that knowingly providing false information on this Conflict of Interest Reporting Statement shall subject me to a civil penalty in an amount up to fifty thousand dollars (\$50,000) pursuant to Welfare and Institutions Code section 4626.

Signature 

Date 1-23-14

INTERNAL USE ONLY

Date this Statement was received by Reviewer:

The reporting individual ☒ does ☐ does not have a ☒ present ☒ potential conflict of interest

Signature of Designated Reviewer

Date Review Completed

 ED

1/29/14

February 24, 2014

Board of Directors and
Laura Larson, Executive Director
Far Northern Regional Center
P.O. Box 492418
Redding, CA 96049-2418

Re: Proposed Conflict of Interest Resolution Plan –
Board of Directors Member Michelle Phillips

TO THE BOARD OF DIRECTORS AND EXECUTIVE DIRECTOR OF FAR NORTHERN
REGIONAL CENTER:

I am a member of Far Northern Regional Center's Board of Directors and am also a FNRC consumer.

For the past two years I have completed conflict of interest disclosure statements and requested conflict waivers because my sister is the Parent Infant Program Director in Chico. The Parent Infant Program (PIP) is a service provider for Far Northern Regional Center.

My sister does not live with me. She does not provide me any financial support.

Most recently I received a waiver from the Department of Developmental Services dated February 22 2013. The waiver was for a 12-month period, and was based on meeting a number of conditions. A copy of the letter granting the waiver is attached.

The purpose of this letter is to ask for renewal of the conflict waiver, and to propose a continued plan to avoid any potential conflict. My plan is:

1. As a member of FNRC's Board of Directors I will not make any recommendation, participate in any discussion or vote on any matter or contract concerning PIP;
2. If an issue relating to PIP comes up during a Board of Directors' meeting, I will excuse myself from the room;
3. I will not access any files kept by FNRC relating PIP;
4. I will not in any attempt to use my position as a board member to influence decision-making with regard to PIP;

Proposed Conflict of Interest Resolution Plan – **Michelle Phillips**

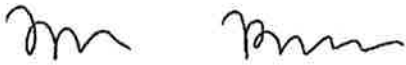
February 20, 2014

Page 2

5. I will not participate individually, or as part of a group, in the preparation, presentation, formulation or approval of plans, policies, analyses, or recommendations relating to PIP or my conflict of interest;

I believe that this plan will resolve any potential conflict of interest.

Thank you for your assistance,



MICHELLE PHILLIPS

Member, FNRC Board of Directors

Attachment

DEPARTMENT OF DEVELOPMENTAL SERVICES

1600 NINTH STREET, Room 320 MS 3-9
SACRAMENTO, CA 95814
TDD 654-2054 (For the Hearing Impaired)
(916) 654-1954



February 22, 2013

Ms. Laura Larson
Executive Director
Far Northern Regional Center
P. O. Box 492418
Redding, CA 96049-2418

Dear Ms. Larson:

Thank you for your correspondence dated February 24, 2012, to the Department of Developmental Services (Department), requesting a conflict of interest waiver for Michelle Phillips, a Far Northern Regional Center (FNRC) Board member. The noted conflict is that Ms. Phillips' sister, Julie Daniels, is employed as a Program Director by the Parent Infant Program (PIP), a FNRC vendor. The Department received conflict of interest waiver approval letters from the State Council on Developmental Disabilities on June 19, 2012, and Area Board II on July 27, 2012, as required by Welfare and Institutions Code, section 4626 and Title 17, California Code of Regulations, section 54533(d).

Based on the information provided, a waiver of the conflict of interest is granted for Ms. Phillips, effective for twelve months from the date of this letter. If, at any point in time, there is a change of status that creates a present or potential conflict of interest, FNRC must ensure that Ms. Phillips prepares and files a new Conflict of Interest Reporting Statement and FNRC submits a new Conflict Resolution Plan, if appropriate, pursuant to Title 17 Regional Center Conflict of Interest Standards and Procedures.

This approval is based on the implementation of the safeguards identified in the February 24, 2012, correspondence and the FNRC governing board's assurance the following conditions are met and comply with Title 17, California Code of Regulations, section 54523:

1. Ms. Phillips shall fully disclose the existence and nature of the conflicting financial interest to the FNRC board and have it noted in the official board records;

"Building Partnerships, Supporting Choices"

Laura Larson
February 22, 2013
Page two

2. Ms. Phillips shall abstain from voting on any matter or contract concerning PIP or any matter which could impact PIP services or be counted for purposes of a quorum;
3. Ms. Phillips shall recuse herself from making, participating in making, or in any way attempting to use her position as a board member to influence decision-making regarding PIP;
4. Ms. Phillips shall leave the room during any discussion or deliberations regarding PIP and shall not return until disposition of the matter is concluded;
5. Ms. Phillips shall not participate in the preparation, presentation, formulation or approval of reports, plans, policies, analyses, opinions or recommendations regarding her conflict of interest when the exercise of judgment is required and the purpose is to influence the decision;
6. Ms. Phillips shall not be involved in the negotiation, obligation, or commitment of FNRC to a course of action involving her conflict of interest;
7. The FNRC Board President and members will be responsible for ensuring that the plan and its safeguards are applied and monitored.

If you have any questions regarding this correspondence, please contact Armando Parra, Regional Center Operations Section, at (916) 654-2297.

Sincerely,



BRIAN WINFIELD
Acting Deputy Director
Community Operations Division

cc: ✓ Dorothy Lindauer, Board President
Far Northern Coordinating Council on Developmental Disabilities

Roberta Newton, Acting Executive Director
California State Council on Developmental Disabilities

Sarah May, Executive Director
Area Board II



Laura Larson
Executive Director

Far Northern Regional Center

Providing services and supports that allow persons with developmental disabilities to live productive and valued lives

February 21, 2014

Allan Smith
Regional Center Operations Section
Department of Developmental Services
1600 Ninth Street, Room 320 (MS 3-9)
Sacramento, CA 95814

Re: Request for Waiver of Potential Conflict of Interest –
FNCC Board Member Colleen Ryberg

Dear Mr. Smith:

FNCC Board member **Colleen Ryberg**, in her annual Conflict of Interest Reporting Statement, has disclosed a potential conflict of interest under California Code of Regulations, Title 17, section 54500. *et seq.* She is requesting a conflict waiver.

The same conflict information was disclosed by Ms. Ryberg in 2013, and a conflict waiver was requested at that time. The waiver was approved by the Area Board 2 on April 17, 2013, and by the State Council on May 20, 2013. (See attached.) FNRC has no record of action taken by the Department of Developmental Services.

Ms. Ryberg's daughter-in-law, Stacey Neill-Wiseman, is an occupational therapist who is also a vendor with Far Northern Regional Center. Ms. Neill-Wiseman provides occupational therapy services to consumers in Trinity County ages 0-3, averaging fewer than five consumers per month.

Ms. Neill-Wiseman is an independent adult who does not reside with Ms. Ryberg. Ms. Ryberg does not receive any financial benefit as a result of her daughter-in-law's employment as an occupational therapist.

As a FNCC Board member, Ms. Ryberg does not have opportunity or authority to approve any contract with her daughter or with any other provider of occupational therapy services. Nevertheless, there may be circumstances under which a perceived or actual conflict could arise. As a result, Ms. Ryberg has proposed a plan to avoid and/or mitigate any conflict. (See Proposed Conflict of Interest Resolution Plan, attached.)

www.farnorthernrc.org

Allan Smith
February 11, 2014
Page 2

The Board Chairperson, with support from the remaining Board members, shall be responsible for ensuring that the conditions stated in the plan are applied.

This letter, with its attachments, serves as a Request for Waiver as prescribed by California Code of Regulations, Title 17, section 54533.

Please contact Executive Director Laura Larson if you have any questions concerning this matter.

Thank you for your assistance.

Sincerely,



LAURA L. LARSON
Executive Director



RONDA DEVER
Chairperson, FNCC Board of Directors

Encls: Conflict of Interest Reporting Statement – Colleen S. Ryberg
Proposed Conflict of Interest Resolution Plan – Colleen S. Ryberg
Area Board 2 approval letter dated April 17, 2013
State Council approval letter dated May 20, 2013

cc: Area II Board
✓ State Council
FNCC Executive Committee
Colleen Ryberg

CONFLICT OF INTEREST REPORTING STATEMENT
DS 6016 (New 08/2012)

The duties and responsibilities of your position with the regional center require you to file this Conflict of Interest Reporting Statement. The purpose of this statement is to assist you, the regional center and the Department of Developmental Services (DDS) to identify any relationships, positions or circumstances involving you which may create a conflict of interest between your regional center duties and obligations, and any other financial interests and relationships that you may have. In order to be comprehensive, this reporting statement requires you to provide information with respect to your financial interests.

A "conflict of interest" generally exists if you have one or more personal, business, or financial interests, or relationships that would cause a reasonable person with knowledge of the relevant facts to question your impartiality with respect to your regional center duties. The specific circumstances and relationships which create a conflict of interest are set forth in the California Code of Regulations, title 17, sections 54500 through 54530. You should review these provisions to understand the specific financial interests and relationships that can create a conflict of interest.

Please answer the following questions to the best of your knowledge. If you find a question requires further explanation and/or there is not enough space to thoroughly answer the question, please attach as many additional sheets as necessary, and refer to the question number next to your answer. If the regional center identifies a conflict involving you, it will be required to prepare a conflict resolution plan. Some relevant definitions have been provided in footnotes to assist you in responding to this statement.

You are required to file this Reporting Statement within 30 days of beginning your employment with the regional center or from the date that you are appointed to the regional center board or advisory committee board. You are required to file an annual Reporting Statement by August 1st of every year while you remain employed with the regional center or while you are a member of the regional center board or advisory committee board. You must also file a Reporting Statement within 30 days of any change in your status that could result in a conflict of interest. Circumstances that can constitute a change in your status that can require you to file an updated Reporting Statement are described below in footnote one.

A. INFORMATION OF REPORTING INDIVIDUAL

Name: Colleen Ryberg Regional Center: FNRC

Regional Center Position/Title: ☒ Governing Board Member ☐ Executive Director
☐ Vendor Advisory Committee sitting on Board ☐ Employee
☐ Contractor ☐ Agent ☐ Consultant

Reporting Status: ☒ Annual ☒ New Appointment (date): 01-24-2013
☐ Change of Status¹

If a change in status, date and circumstance of change in status:

No change

1. Please list your job title and describe your job duties at the regional center.

Member of Board of Directors

NA

¹ Change of status includes reporting a previously unreported activity that should have been reported, change in the circumstance of a previously reported activity, change in financial interest, familial relationship, legal commitment, change in regional center position or duties, or change to outside position or duties. See California Code of Regulations, title 17, sections 54531(d) and 54532(d).

2. Do you or a family member² work for any entity or organization that is a regional center provider or contractor?
☒ yes ☐ no -- If yes, provide the name of the entity or organization and describe what services it provides for regional center or regional center consumers. If the provider or contractor is a state or local entity, provide specific name of the state or local entity and describe your job duties at the state or local entity.

Daughter-in-law is a provider of Occupational Therapy services to FARC consumers -- is a FARC vendor

3. Do you or a family member own or hold a position³ in an entity or organization that is a regional center provider or contractor? ☐ yes ☒ no -- If yes, provide the name of the entity or organization, describe what service provides for the regional center or regional center consumers, and describe your or your family member's financial interest.

4. Are you a regional center advisory committee board member? ☐ yes ☒ no -- If yes, are you a member of governing board or owner or employee of an entity or organization that provides services to the regional center regional center consumers? ☐ yes ☐ no -- If yes, provide the name of the entity or organization and describe what services it provides for the regional center or regional center consumers.

5. If you are a regional center advisory committee board member and answered yes to all the questions in Question 4 above, do any of the following apply to you: (a) are you an officer of the regional center board; (b) do you vote purchasing services from a regional center provider; or (c) do you vote on matters where you might have a financial interest? ☐ yes ☐ no -- If yes, please explain.

N/A

² Family member includes your spouse, domestic partner, parents, stepparents, grandparents, siblings, stepsiblings, children, stepchildren, grandchildren, and in-laws. See California Code of Regulations, title 17, sections 54505(f).

³ For purposes of this question, hold a position generally means that you or a family member is a director, officer, owner, partner, employee, or shareholder of an entity or organization that is a regional center provider or contractor. For a specific description of positions that create a conflict of interest in a regional center provider or contractor see the California Code of Regulations, title 17, sections 54520 and 54526.

6. Do any of the decisions you make when performing your job duties with the regional center have the potential to financially benefit you or a family member⁴? ☐ yes ☒ no -- If yes, please explain.

7. Are you responsible for negotiating, making,⁵ executing or approving contracts on behalf of the regional center? ☒ yes ☐ no -- If yes, please explain.

Pursuant to Welfare & Institutions Code section 4625.5 and related provisions.

8. Do you have a financial interest in any contract⁶ with the regional center? ☐ yes ☒ no -- If yes, did you negotiate, make, execute or approve the contract on behalf of the regional center? ☐ yes ☐ no -- If yes, please explain.

9. Do any of your family members have a financial interest in any contract with the regional center? ☐ yes ☒ no -- If yes, did you negotiate, make, execute or approve the contract on behalf of the regional center? ☐ yes ☐ no -- If yes, please explain.

⁴ Generally, a decision can financially benefit you or a family member if the decision can either directly or indirectly cause you or a family member to receive a financial gain or avoid a financial loss. For a specific description of the types of decisions that can result in a financial benefit to you or a family member see the California Code of Regulations, title 17, sections 54522 and 54527.

⁵ California Code of Regulations, title 17, sections 54523(b)(2) and 54528(b)(2) describes the types of conduct which constitute involvement in the making of a contract.

⁶ For purposes of questions 8 and 9, a financial interest in a contract generally means any direct or indirect interest in a contract that can cause you or a family member to receive any sort of financial gain or avoid any sort of financial loss irrespective of the dollar amount. California Code of Regulations, title 17, sections 54523 and 54528 define when financial interests in a contract will occur.

- ☒ Governing Board Member
- ☐ Vendor Advisory on I
- ☐ Executive Director
- ☐ Employee/Other

10. Do you evaluate employment applications or contract bids that are submitted by your family member(s)?
☐ yes ☒ no -- If yes, please explain.

11. Your job duties require you to act in the best interests of the regional center and regional center consumers. Do you have any circumstances or other financial interests not already discussed above that would prevent you from acting in the best interests of the regional center or its consumers? ☐ yes ☒ no -- If yes, please explain.

B. ATTESTATION

I, Colleen Ryberg (print name) HEREBY CONFIRM that I have read and understand the regional center's Conflict of Interest Policy and that my responses to the questions in this Conflict of Interest Report Statement are complete, true, and correct to the best of my information and belief. I agree that if I become aware of any information that might indicate that this statement is not accurate or that I have not complied with the regional center's Conflict of Interest Policy or the applicable conflict of interest laws, I will notify the regional center's designee immediately. I understand that knowingly providing false information on this Conflict of Interest Report Statement shall subject me to a civil penalty in an amount up to fifty thousand dollars (\$50,000) pursuant to Welfare Institutions Code section 4626.

Signature Colleen A. Ryberg Date 1-24-14

INTERNAL USE ONLY

Date this Statement was received by Reviewer:

The reporting individual ☒ does ☐ does not have a ☒ present ☒ potential conflict of interest

Signature of Designated Reviewer

Date Review Completed

James L. Lauer

1/29/14

February 7, 2014

Board of Directors and
Laura Larson, Executive Director
Far Northern Regional Center
P.O. Box 492418
Redding, CA 96049-2418

Re: Proposed Conflict of Interest Resolution Plan –
Board of Directors Member Colleen S. Ryberg

TO THE BOARD OF DIRECTORS AND EXECUTIVE DIRECTOR OF FAR NORTHERN REGIONAL CENTER:

I was appointed to Far Northern Regional Center's Board of Directors in January 2013, as a representative from Trinity County.

At that time, I completed a Conflict of Interest Reporting Statement that disclosed a potential conflict of interest. My daughter-in-law, Stacy Neill-Wiseman, is an occupational therapist who is a long-time vendor with Far Northern Regional Center ("FNRC"). At that time, I presented a plan to avoid or mitigate the conflict and requested assistance in obtaining a waiver.

My daughter-in-law is an independent adult. She does not live with me, and I do not receive any financial benefit as a result of her employment as an occupational therapist.

In my capacity as a FNRC Board Member, I do not have opportunity or authority to approve any contract with my daughter, or with any other provider of occupational therapy services.

The purpose of this letter is to ask for renewal of the conflict waiver, and to propose a continued plan to avoid any potential conflict. My plan is:

1. I do not currently, nor will I in the future, make any recommendation, participate in any discussion or vote on any vendor contract with FNRC regarding occupational therapy services provided to consumers;
2. Should the issue of occupational therapy services arise during the course of a FNRC Board of Directors' meeting, I will excuse myself from the room;
3. I will not promote my daughter-in-law to FNRC staff or consumers;
4. I will I will not discuss FNRC business, activities, or consumers with my daughter-in-law;
5. I will not access any files kept by FNRC relating to my daughter-in-law's vendorization, nor will I access any files relating to other providers of occupational therapy services.

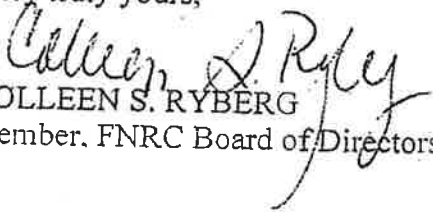
Proposed Conflict of Interest Resolution Plan – Colleen S. Ryberg
February 7, 2014
Page 2

6. I will not participate individually, or as part of a group, in the preparation, presentation, formulation or approval of reports, plans, policies, analyses, opinions or recommendations pertaining to my daughter-in-law, or to any other FNRC vendor of occupational therapy services..

Executive Director Laura Larson and the Chairperson of FNRC's Board of Directors have agreed to oversee the plan and ensure that its safeguards are applied.

Thank you for your assistance.

Very truly yours,


COLLEEN S. RYBERG
Member, FNRC Board of Directors



Area Board 2

State Council on
Developmental
Disabilities

April 17, 2013

BUTTE

GLENN

Jorge A. Aguilar, Chair
State Council on Developmental Disabilities
1507 21st Street, Suite 210
Sacramento, CA 95811

LASSEN

Dear Mr. Aguilar:

MODOC

This is in regards to the request from Far Northern Regional Center to the Department of Developmental Disabilities to grant a waiver regarding the Conflict of Interest for Colleen Ryberg.

PLUMAS

At the April 11, 2013 Area Board 2 meeting, the board discussed the conflict of waiver request for Ms. Ryberg and took into consideration, Welfare and Institutions Code Sections 4655 *et seq.* and Title 17 Section 54520, the following constitute conflicts of interest for regional center board members:

SISKIYOU

"When a member of the board or their family member is: a) a director, officer, owner, partner, shareholder, trustee or employee of any business entity or provider, b) holds any position of management in any business entity or provider or, 3) has decision or policymaking authority in such an entity or provider."

SHASTA

Far Northern Regional Center has devised a plan to avoid any conflict of interest regarding the regional center vendor, "Stacey Neill-Wiseman, Occupational Therapist" by having Ms. Ryberg abstain from any voting or other processes involved with this particular vendor. Therefore, the board voted unanimously to approve the Conflict of Interest Waiver for Ms. Ryberg.

TEHAMA

Sincerely,

Sarah M. May, Executive Director
Area Board 2

TRINITY



Cc: Roberta Newton, SCDD Interim Executive Director
Laura Larson, FNRC Executive Director

Attachments



State Council on Developmental Disabilities

• website • www.scdd.ca.gov • email • council@scdd.ca.gov

1507 21st Street, Suite 210
Sacramento, CA 95811



STATE OF CALIFORNIA
Edmund G. Brown
Governor

(916) 322-8481
(916) 443-4957
(916) 324-8420

May 20, 2013

Allan Smith
Community Services Division
Department of Developmental Services
1600 9th Street, Rm. 320, MS 3-9
Sacramento, CA 95814

Dear Mr. Smith:

On April 9, 2013, after receiving delegation authority from the State Council on Developmental Disabilities (SCDD), the Executive Committee of SCDD considered the waiver request submitted by Far Northern Regional Center on behalf of Ms. Colleen Ryburg.

The Executive Committee reviewed Ms. Ryburg's conflict of interest plan. After careful consideration of the relevant materials, the Executive Committee took action to approve this waiver request.

If you have any questions or concerns, please feel free to contact Melissa C. Corral, Staff Counsel at 916-322-8481.

Sincerely,

JORGE AGUILAR
Chairperson

Cc: Laura Larsen, Executive Director, Far Northern Regional Center
Stephen Bell, Chairperson, Far Northern Regional Center
Sarah May, Executive Director, Area Board 2

"The Council advocates, promotes & implements policies and practices that achieve self-determination, independence, productivity & inclusion in all aspects of community life for Californians with developmental disabilities and their families."

DATE: SEPTEMBER 2011
Modified on December 10, 2013 by Executive Committee

TO: SCDD STAFF, COUNCIL AND LOCAL AREA MEMBERS

FROM: STATE COUNCIL ON DEVELOPMENTAL DISABILITIES

RE: REGIONAL CENTER REQUESTS FOR WAIVER OF CONFLICT OF INTEREST CRITERIA PROCEDURE

The purpose of these procedures is to establish consistent evaluation criteria and process of requests for waivers in accordance with Welfare and Institutions Code Sections 4622 *et seq.* and Title 17 Section 54520. These procedures shall be used by the California State Council on Developmental Disabilities (Council) and local area boards.

*These procedures may be revised in accordance with regulatory changes.

WAIVER OF CONFLICT OF INTEREST EVALUATION PROCESS

If there is good reason that a RC is unable to meet all of the criteria for their board, the director of DDS may waive the criteria for a period of time, not to exceed one year, with the approval of the appropriate area board and the Council in accordance with WIC 4628.

The Council/area board procedure for evaluating requests for waiver shall be:

1. When area board receives a request for a waiver, it shall be scheduled for discussion and action during the next available area board meeting.
2. When evaluating a request for waiver for a regional center board member, the area board shall discuss and analyze the following:
 - a. Does the RC have and utilize a public board member recruitment process? If not, what recruitment efforts were implemented with respect to the board member in question?
 - b. What specific criteria are involved in the request? Is the individual prohibited from serving based on the statute (C. 1-4 above) or regulation (C. 5-7 above) or both?

- c. Does the proposed mitigation plan effectively address avoidance of the identified conflict of interest?
 - d. What impact will the approval/denial of the waiver have on the RC board?
 - e. Has the RC requested a waiver on behalf of the same individual before? If so, how long ago?
3. When evaluating a request for waiver for a regional center employee, the area board shall discuss and analyze the following:
- a. Does the proposed mitigation plan effectively address avoidance of the identified conflict of interest? If not, can the area board suggest alternatives?

AND

- b. Before any action is taken on a waiver request by a regional center employee is made, the area board **must** contact staff counsel at SCDD HQ.
4. Upon evaluating the request, the area board shall take action to approve/deny the waiver request unless additional information is requested from RC.
5. Within 5 business days of taking action, the area board shall forward their analyses and action to the Council.
6. The Council shall schedule a discussion and action for the next available regular Council meeting. During the discussion, the Council shall review the area board analyses. The Council shall take action to approve/deny the waiver unless further information is requested from the area board.
7. The Council shall submit their action to DDS within 5 business days.
-

REFERENCE STATUTORY AND REGULATORY BACKGROUND

A. Regional Center Conflict of Interest Policy

The establishment and implementation of a conflict of interest policy and reporting process for regional centers (RC) is intended to minimize, if not eliminate, the occurrence of conflicts of interest in certain settings. This seeks to ensure that the RC board members act in the course of their duties solely in the best interest of the consumers and their families without regard to the interest of any other organization with which they are associated.

Each RC shall submit a conflict-of-interest policy to the Department of Developmental Services (DDS) by July 1, 2011, and shall post the policy on its Internet Web site by August 1, 2011. The policy shall do, or comply with, all of the following:

1. Be consistent with applicable law.
2. Define conflicts of interest.
3. Identify positions within the regional center required to complete and file a conflict-of-interest statement.
4. Facilitate disclosure of information to identify conflicts of interest.
5. Require candidates for nomination, election, or appointment to a RC board, and applicants for RC director to disclose any potential or present conflicts of interest prior to being appointed, elected, or confirmed for hire by the RC or RC governing board.
6. Require the RC and its governing board to regularly and consistently monitor and enforce compliance with its conflict-of-interest policy.

B. Conflict of Interest Reporting

Welfare and Institutions Code Section 4626(e-l) sets the process for reporting conflicts of interest. The reporting process is:

1. DDS is responsible for developing a Conflict of Interest Reporting Statement (Statement.)
2. The Statement shall be completed by each RC governing board member and executive director within 30 days of

selection, appointment or election and annually thereafter. A Statement must also be completed upon any change in the status of the board member or executive director that creates a potential or present conflict of interest.

3. DDS and the appropriate RC governing board shall review the Statements of each board member and the executive director to ensure that no conflicts of interest exist; however, if a present or potential conflict of interest is identified for a board member or executive director that cannot be eliminated, the RC governing board shall submit to DDS and the Council, a copy of the Statement and a plan that proposes mitigation measures within 30 days (including timeframes and actions that the governing board or individual will take to mitigate the conflict of interest.)

The submission of this Statement and mitigation plan is not considered a request for waiver.

C. Conflict of Interest Criteria

California law outlines the criteria by which DDS evaluates conflicts arising among RC board members.

Additionally, it is expected that board members will be free from conflicts of interest that could adversely influence their judgment, objectivity or loyalty to the RC, its consumers or its mission.

Pursuant to Welfare and Institutions Code section 4626(b), no member of the governing board or member of the program policy committee of a RC shall be any of the following:

2. An employee of DDS or any State or local agency that provides service to a RC consumer, if employed in a capacity which includes administrative or policymaking responsibility, or responsibility for the regulation of the RC.
3. An employee or member of the Council or area board,
4. With the exception of a consumer advisory committee member, an employee or member of the governing board of any entity from which the RC purchases consumer services.
5. Any person who has a financial interest in RC operations, except as a consumer of RC services.

Title 17 provides additional conflict of interest criteria which may or may not encompass the criteria set forth in statute. In accordance with 17 CCR 54520, the following constitute conflicts of interest for RC board members:

6. When a member of the board or their family member is: a) a director, officer, owner, partner, shareholder, trustee or employee of any business entity or provider, b) holds any position of management in any business entity or provider or, 3) has decision or policymaking authority in such an entity or provider.
7. When the advisory committee board member is an employee or member of the governing board of a provider from which the RC purchases client services and engages in the fiscal matters. If so, this member is prohibited from serving as an officer of the RC governing board and from voting on fiscal matters or issues.
8. When a governing board member is any individual described in WIC 4626.



CALIFORNIA STATE COUNCIL ON DEVELOPMENTAL DISABILITIES

CONTRACTING AND PURCHASING POLICIES AND PROCEDURES

Adapted from the:

Demystifying Contracts Handbook

Produced by the California Department of Social Services Contracts and Financial
Analysis Bureau

Table of Contents

Types of Contractual Agreements

Request for Contract Services

Interagency Agreement

Standard Agreement (Consulting)

Standard agreement (Subvention)

CMAS Agreement

Contract Review Process and Timeframes

Various Components of the Bidding Process

Apply Appropriate Regulations and Policies

Program Responsibilities After Execution of Contract

TYPES OF CONTRACTUAL AGREEMENTS

A contract is a legally binding agreement between the California Department of Social Services (CDSS) and another entity, public or private, for the provision of goods or services. A contract sets forth the terms, conditions, and the statement of all work to be performed.

Proper classification of contracts is necessary as a first step in determining which solicitation process is appropriate for the contract, and what elements are required to be in the contract. There are several types of contracts and services.

1. Interagency Agreement (IA)

An interagency agreement is an agreement between two or more state agencies.

Examples include: An IA between SCDD and the Department of Developmental Services (DDS) to provide quality assurance activities.

2. Consultant Services

Defined as a contract for services of an advisory nature, which provides a recommended course of action or personal expertise. The contract calls for a "product of the mind" rather than the rendition of mechanical or physical skills. A "product of the mind" may include anything from answers to specific questions to the design of a system or plan.

Examples of consultant services contracts include: Legal services, expert witness services, training and technical assistance, strategic planning, etc.

3. Services Contract (Non-Consulting)

A services contract is a contract in which the contractor provides a duty or labor, of a non-consulting nature, and is usually a rendition of mechanical or physical skills.

For example: janitorial services, moving services, shredding services, and printing services.

4. Subvention Services

To be classified as a subvention services contract, the contract must:

a) provide assistance to local governments and/or aid to the public; and b) directly or through an intermediary, such as a nonprofit organization. Subvention services contracts are exempt from the competitive bidding requirements.

Examples: A contract with California Youth Connection to provide technical and outreach services to foster youth; a contract with the San Diego State University Foundation to provide training to social workers on child welfare services.

NOTE: The Department of General Services (DGS) has determined that grants provided by the SCDD do not qualify under the subvention agreement contract exception.

5. Public Works

An agreement for the erection, construction, alteration, repair, or improvement of any state-owned structure, building, road, or other state improvement of any kind.

Examples include: Electrical/cabling services and assembling modular furniture in State offices.

6. Information Technology (IT) Services

Services performed directly on or pertaining to electronic technology and telecommunications hardware, firmware, and software including but not limited to computerized and auxiliary automated information handling, system design and analysis, data conversion, computer programming, information storage and retrieval, voice, video, data communications, requisite system controls, simulation, electronic commerce, maintenance and repair, software licensing and support, training, and all related interactions between people and machines. Also included are services of an advisory nature requiring a recommended course of action or personal expertise as it pertains to an information technology project and information technology support functions.

SCDD has competitive purchasing authority to conduct bids for IT Services up to \$4,999.99. We also have purchasing authority to utilize the California Multiple Award Schedules (CMAs) and Master Agreements/Master Service Agreements.

7. California Multiple Award Schedule (CMAS) Contracts

The CMAS Program was established in May 1994 to enable State Agencies and local governments to obtain IT (and a limited number of non-IT services) without the need for DGS to issue a specific bid. The objective of the CMAS Program is to streamline purchases of goods and services by removing repetitive, resource intensive, costly and time consuming bid processes. CMAS vendors are approved by DGS, along with a description of the specific services and the maximum rates allowable for the services. Vendors interested in working with the State must apply directly to DGS. In order to obtain services from an authorized CMAS vendor, SCDD issues a request for offer (RFO), which results in a CMAS contract.

8. Memorandum of Understanding (MOU)

The DGS State Contracting Manual defines a memorandum of understanding as "a contract". For SCDD, the MOU usually does not contain dollars or fiscal provisions. The primary purpose of the MOU is to delineate the roles and responsibilities of the parties. Reimbursement for services are from other established sources such as the county administrative claim.

For example, each SCDD local office with a developmental center in its area has an MOU with that developmental center that outlines their individual roles and responsibilities. The fiscal provisions are outlined in the IA between the SCDD and DDS.

VARIOUS COMPONENTS OF THE BIDDING PROCESS

A. Types of Bidding Processes

The most frequently used types of bidding process in SCDD are the Request for Proposals (RFP) Primary and RFP Secondary and Master Agreements. However, other processes may be used as follows:

1. Request for Proposals (RFP)

The RFP is used to obtain complex services in which professional expertise is needed and bidders may utilize different methods and approaches during performance. Services may be complex, uncommon and/or unique.

An RFP seeks an answer to the following: "Here is what we wish to accomplish. Here are the qualification requirements, performance specifications, time frames, and other requirements that must be met. Describe how you would accomplish the job for us and for how much."

There are two types of RFPs:

RFP Primary and RFP Secondary - The major difference between the two is the way in which the winner is determined. In the RFP Primary, the contract is awarded to the responsible bidder with the lowest costs. In the RFP Secondary, the contract is awarded to the responsible bidder with the highest scored proposal.

a. RFP Primary

Bidders responding to the RFP Primary must submit their information in two envelopes. The written proposal describing the services and how they will be delivered will be placed in one envelope and the costs for providing the services must be sealed in a separate envelope. The sealed bids will be publicly opened at a later date.

Upon receipt of proposals, the Contracts Analyst will conduct an administrative review to determine if the proposals conform with the format and content requirements specified in the RFP, such as a table of contents, the correct number of copies, a signed Statement of Intent to Meet RFP Requirements, etc. The Contracts Analyst will also check that the costs information is sealed in a separate envelope. Failure to meet administrative requirements will deem the proposal to be nonresponsive to RFP requirements and disqualified for further consideration.

Proposals meeting administrative requirements are given to the Evaluation Committee for scoring. The Program Development Committee or Administrative Committee, as appropriate, shall serve as the Evaluation Committee in accordance with these policies. The Evaluation Committee will compare the proposals and bidders for conformance to RFP requirements such as minimum experience, professional qualifications, organizational structure, staffing and expertise, service methodology, timeframes, etc., and assign a score for each category. As stated in the RFP, proposals must obtain a minimum score, usually 80 percent, from the Evaluation Committee in order to qualify for the bid opening. All proposals with a score of 80 percent or higher will have their sealed bid publicly opened at the time and place specified in the RFP. The responsible bidder with the lowest costs will be awarded the contract, regardless of the score given by the Evaluation Committee on the proposal.

b. RFP Secondary

The RFP Secondary asks Bidders to submit all their information in one package. There is no need for a separate envelope shielding the costs information since there is no public bid opening.

The Contracts Analyst conducts an administrative review of all proposals received for responsiveness to RFP format and content requirements and gives them to the Evaluation Committee. The Evaluation Committee shall be the Program Developmental Committee or the Administrative Committee, as appropriate. The Evaluation Committee will compare the proposals and bidders for conformance to other RFP requirements such as minimum experience, professional qualifications, organizational structure, staffing and expertise, service methodology, timeframes, etc., and assign a score to each category. The costs for services are also scored in accordance with the formula specified in the RFP. Upon completion of the evaluation process, the contract is awarded to the bidder with the highest scored proposal.

2. Solicitation for Offers (SFO)

The SFO is used to obtain services off the California Multiple Award Schedules (CMAS). CMAS vendors have been preapproved by the Procurement Division of the Department of General Services and may be utilized by state agencies without formal bids. For vendor listings, see: www.pd.dgs.ca.gov

SCDD may issue a SFO that specifies the minimum service requirements and what information the CMAS vendor must provide for consideration of contract award. Typically, the CMAS vendor submits a narrative describing their qualifications, what services they will provide, along with the personnel and corresponding hourly rates.

For SFO's, the award is determined by "best value". Depending on the specific service being requested, "best value" can be defined as either lowest price or highest scored offer received. The decision must be clearly identified in the SFO.

3. Invitation for Bids (IFB)

The IFB is typically used to obtain simple, common, or routine services that may require personal or mechanical skills. An IFB seeks an answer to the following: "Here is exactly what we need to have done. Here are the qualification requirements, performance specifications, time frames, and requirements that must be met. How much will you charge us?"

Examples of services utilizing the IFB process are janitorial and moving services.

The bidder specifies the costs for the requested services on the Bid Form, which is included in the IFB. Bidder signs and returns the Bid Form to Contracts Analyst in a sealed envelope by the due date stated in the IFB. Sealed bids are then publicly opened on the due date and a pass or fail determination is made by the Contracts Analyst for responsiveness to IFB requirements. For example, if the IFB specifies a minimum number of years experience providing a particular service, the bidder must have that experience in order to qualify for the bid opening. The award is then made to the responsible bidder with the lowest costs.

4. Master Agreements

Master Agreements (also referred to as Master Service Agreements) are generally Statewide agreements that have been competitively bid and awarded by DGS. Master Agreements may be for IT Services and Non-IT Services. Each Master Agreement has its own ordering instructions and administrative fee (usually 1 to 2%). Additional information is available on the Department of General Services, Procurement Division website at www.pd.dgs.ca.gov/masters/.

Examples of services available under Master Agreements include unarmed security guards and business and management consulting services such as organization development, strategic planning, and performance measurements and evaluation.

B. Fundamental Rules for Competitive Bids

1. A State Agency may not draft any competitive bidding document in a manner that limits bidding directly or indirectly to any one bidder. (Public Contract Code Section 10339)
2. Services may not be split to avoid the need to advertise or obtain competitive bids. In particular, a series of related services that would normally be combined and bid as one job cannot be split into separate tasks, steps, phases, locations, or delivery times to avoid adhering to a state law, policy, or departmental procedure.
3. Sealed bids (and proposals, etc.) must be received by the time stated in the solicitation document. Bids received after the due date and time are not valid regardless of the circumstances causing the late submittal. If you receive a package requested by a solicitation document, please get it to the Contracts Analyst immediately.

C. Noncompetitively Bid (NCB) Contract

1. A noncompetitively bid contract is defined as one in which only a single business enterprise is afforded the opportunity to provide the specified services and the typical solicitation processes were not utilized. NCB Transactions of \$5,000 or more must be approved by the Executive Director, the full Council and, the Procurement Division of the Department of General Services (DGS). These approvals must be formally obtained and provided in writing before the contract is developed. For services under \$5,000, no NCB justification is required if fair and reasonable pricing has been established and documented. An NCB justification is required if fair and reasonable pricing cannot be established and documented or two bids cannot be obtained.
2. Approvals for an NCB contract transaction require the following documents:
 - Noncompetitively Bid Contract Justification (three page document from DGS), and
 - Request for Exemption from Advertising (form STD. 821).
3. At a minimum, the following questions must be addressed in the documents specified in #2 above:

- Why is the requested service restricted to one supplier? Explain why the acquisition was not competitively bid.
- Provide the background of events leading to this acquisition. Describe the uniqueness of the acquisition (why was the good/service/supplier or contractor chosen?)
- What are the consequences of not purchasing the good/service or contracting with the proposed supplier?
- What market research was conducted to substantiate noncompetition, including evaluation of other items considered?
- How was the price offered or costs for services determined to be fair and reasonable? Describe any cost savings realized or costs avoided by acquiring goods/services from this supplier.
- If the NCB request could have been competitively bid but was not due to insufficient time to complete the acquisition process, DGS requires a corrective action plan from the SCDD describing how competitive bids and processing of contracts will be managed.

REQUEST FOR CONTRACT SERVICES

Complete a form 704 - (GEN 704)

A completed form 704 must be submitted to the Deputy Director for Administration.

The GEN 704 consists of three pages.

1. Include the name of the contact person, telephone number, fax number and office number.
2. Indicate the type of request: Is the request for a Procurement/Bid such as a Solicitation for Offer (SFO), Master Service Agreement (MSA), Invitation for Bid (IFB), Request for Proposal (RFP)? Is the request for a contract such as an interagency agreement (IA), standard agreement (SA), CA Multiple Award Schedule (CMAS), memorandum of understanding (MOU), direct pay, or other?

If the request for the contract is to confirm the result of a bid or solicitation, please check the box after "Contracts" and specify the bid/solicitation number.

Fill out the name of the proposed contractor in the contractor information box. Always use the legal name of the contractor. If you know whether or not the contractor is a certified small business or disabled veteran business enterprise, please indicate by checking the yes or no box.

3. Is this an amendment or renewal to an existing service or contract?

If yes, enter the previous contract number and contractor name. If this is an amendment, the contract number to ensures that the right contract file is pulled to verify the contract term and amount prior to writing the amendment.

If this is a renewal to an existing service or contract, please enter the prior contract number to pull the former contract file to help draft the scope of work (SOW).

4. "Contract Term": Enter the proposed start date and ending date of the service period. You will be contacted and told if the proposed term is not realistic or attainable. For example, if the bidding process requires two months and there is only two weeks between the receipt of GEN 704 and the proposed start date.

If the request is to amend the term, enter the original start date and the revised or proposed end date, not the original end date. If the request is for amendments to revise the funding or scope of work and the term is not affected, enter the original end date.

Amendment effective date: Enter the date for which the change (in scope, increase or decrease in the amount of funding, hourly rate, etc.) is to take place. Provide us with your best estimate. The only rule here is that if you are extending the term, the effective date must be prior to the expiration of the original term, i.e., you want to extend the contract for 12 months, from June 30, 2013 through June 30, 2014. The effective date of amendment can be no later than June 30, 2013. If you have multiple actions like amending the term and increasing the funds, the effective date would be the earliest date in which an action takes place. If the contract ran out of money in March, the amendment date would be March and not June to extend the term.

5. Purpose/necessity of contract/amendment (concise description): Provide a brief and concise description of the contract service, e.g., provide development training and quality improvement services to persons with developmental disabilities. Attach the scope of work and budget detail (more information on SOW and budget after we get through the instructions on how to complete the GEN 704). Check the box on whether the service is mandated or not and provide the authority/legislative act. (More information on justification of services in Page 2). Enter the Index Code, PCA, object code (if known).

Funding, etc: Identify whether the funds are State, Federal, or both, and the percentage of each. Check Support or Local Assistance; whether the agreement is a payable or receivable contract or N/A (if an MOU); give us the amount of funds available by each state fiscal year and identify the funding source (budget/redirect, etc.)

6. Required Approvals and Signatures: The following signatures are currently required: Deputy Director for Local Area Offices (if applicable), Deputy Director for Administration and Executive Director.
7. Page 2: Required Justification For Contract Services

Check box on whether the service is mandated or not and provide the authority or legislation.

#1, Briefly describe the services to be provided.

#2, Describe why the services are critical or essential to the Department's mission and goals; Describe expected results or benefits to be achieved.

#3, Describe the consequences if this request for contract is denied.

#4, Describe possible alternatives to contracting.

#5, Describe why services cannot be performed by civil service employees, per Government Code 19130.

The State Constitution generally requires contracting to be limited to those services that cannot be performed by civil service employees except provided for in GC 19130 (a) and (b).

GC 19130(a) allows contracting out of services if the Department can clearly demonstrate that the proposed contract will result in actual overall cost savings to the State.

Standards for use of Personal Service Contracts

A "Personal Service contract" is defined as any contract, requisition, Purchase Order, etc. (except Public Works contracts), under which labor or personal services is a significant, separately identifiable element. The business or person performing these contractual services must be an Independent Contractor and does not have status as an employee of the State. A "cost savings-based Personal Service Contract" is any Personal Service Contract proposed to achieve cost savings and subject to the provisions of Government Code, Section 19130(a).

Before deciding to contract for personal services, as a requestor or initiator of a contract, you must meet one of the following criteria and provide justification to support the selection:

1. 19130(a) Personal services contracting is permissible to achieve cost savings when specific conditions are met. This would require an 11-Point Analysis as required by law for State Personnel Board approval and union review. (This may add an additional 30 - 60 days to the contract process.);

OR

2. 19130(b): Personal services contracting also shall be permissible when any of the following conditions can be met:
 - A.** The functions contracted are exempted from civil service by Section 4 of Article VII of the California Constitution, which describes exempt appointments.
 - B.** The contract is for a new state function and the Legislature has specifically mandated or authorized the performance of the work by Independent Contractors.
 - C.** The services contracted are not available within civil service, cannot be performed satisfactorily by civil service employees, or are of such a highly specialized or technical

nature that the necessary expert knowledge, experience, and ability are not available through the civil service system.

D. The services are incidental to a contract for the purchase or leases of real or personal property. Contracts under this criterion, known as service agreements," shall include, but not be limited to, agreements to service or maintain office equipment or computers that are leased or rented.

E. The legislative, administrative, or legal goals and purposes cannot be accomplished through the utilization of persons selected pursuant to the regular civil service system. Contracts are permissible under this criterion to protect against a conflict of interests or to insure independent and unbiased findings in cases where there is a clear need for a different, outside perspective. These contracts shall include, but not be limited to, obtaining expert witnesses in litigation.

F. The nature of the work is such that the Government Code standards for emergency appointments apply. These contracts shall conform with Article 8 (commencing with Section 19888) of Chapter 2.5 or Part 2.6.

G. State agencies need private counsel because a conflict of interest on the part of the Attorney General's office prevents it from representing the agency without compromising its position. These contracts shall require the written consent of the Attorney General, pursuant to Section 11040.

H. The Contractor will provide equipment, materials, facilities, or support services that could not feasibly be provided by the state in the location where the services are to be performed.

I. The Contractor will conduct training courses for which appropriately qualified civil service instructors are not available, provided that permanent instructor positions in academies or similar settings shall be filled through civil service appointment.

J. The services are of such of an urgent, temporary, or occasional nature that the delay incumbent in their implementation under civil services would frustrate their very purpose.

***Justification Detail Required (Please explain why the above condition applies)

What to Include in a Scope of Work (SOW)

According to the standard contracting format established by DGS, the SOW is specified as Exhibit A in the majority of state contracts. The SOW is a description of the services and work to be performed.

It can be as brief as a paragraph or two, or as lengthy as a book, depending on the type of services and the level of understanding and agreement.

At a minimum and if applicable, the SOW should address the following:

1. Work specifications, requirements
2. Detailed work plan
3. Personnel, staffing
4. Objectives, major task
5. Results, deliverables
6. Timelines, progress reports
7. Evaluation and acceptance criteria

The Scope of Work should contain a clear, precise description of the work to be performed, services to be provided, problem to be solved, or the goals and objectives to be met as follows:

- Describe in realistic terms what the Contractor is to accomplish, including any desired approach to the problem and the specific functions, tasks, or activities that must be performed.
- Identify any practical and policy information, technological requirements or specifications, and legal limitations if any.
- Identify the specific questions to be answered or issues to be addressed.
- Define the manner in which the work is to be done.
- Describe the items to be delivered.
- Specify time schedules, including dates for commencement of performance and submission of progress reports, if any, and date of completion.
- Specify final meeting requirements between Contractor and CDSS when the contractor is to present his/her findings, conclusions, and recommendations (if applicable)
- Specify the format and number of copies to be made of the completed reports or product.
- Describe method of delivery and evaluation criteria for acceptance of service or product.

What to Include in a Budget

The budget format will differ according to the type of contract. The standard budget formats are:

- Lump sum payment upon completion, delivery, and acceptance of service.

- Deliverable-based, i.e., Upon completion of each training session at the contracted rate of \$5,000 per session.
- Monthly reimbursement of services, i.e., \$600 per month for janitorial services or \$50 per month for security alarm maintenance.
- Identification of the consultant(s), classification level and hourly rate of pay, up to the maximum amount of the contract or maximum number of hours within the contract period.
- Detailed line item budget showing personnel detail (names, job titles, monthly rate, percentage of time charged to the contract and employee benefits); operating and equipment expenses (rent, telephone, supplies, etc.) and indirect cost. Detailed line item budgets must include a narrative describing each line item.

***See Attachment 1 for SAMPLE contract agreement

CONTRACT REVIEW PROCESS and TIMEFRAMES

Upon completion of a GEN 704, Request for Contract Services, the following actions take place (10 – 30 working days):

1. Preliminary Review by Deputy of Administration(if statewide or administrative contract) or by Deputy for Local Area Offices (if request has been made by director of a Local Area Office) –
The appropriate Deputy shall review all proposed solicitation documents and timelines for compliance with State Contracting Manual. Once the review is complete, the Deputy of Admin or LAO signs and forwards the proposed contract to the Deputy Director of Administration for secondary review, if applicable.
2. The Deputy of Administration will review all financial documents and assure compliance with State Administration Manual and Department of Finance protocols. Once the review is complete, the Deputy for Administration signs and includes the completed contract packet for review and approval at the next Administrative Committee or Program Development Committee COMMITTEE STILL MUST DETERMINE THE AMOUNT THAT CAN BE APPROVED BY ED OF COUNCIL. ADMINISTRATIVE COMMITTEE DISCUSSED A POSSIBLE 50,000 CEILING (as appropriate.) The Chairperson of appropriate committee shall sign and certify that a full review and action has been taken to approve the contract.
3. The Deputy for Administration submits the complete solicitation package and approvals to full Council for review and final approval.
4. Once the solicitation package is approved by the full Council, advertising and/or bidding process may commence in accordance with the outlined process below depending on type of contract.

Please note: Contracts Analyst does not start writing the contract until full Council approval is obtained.

5. If the scope of work (SOW) and budget information are provided with the GEN 704, the Contracts Analyst will write the contract (5 to 10 working days)
If the SOW and budget information are insufficient, the Contracts Analyst will contact the submitter for additional information.
6. A draft of the contract is sent to the following for concurrent review. The specific reviews are determined by the type of service and amount of funds. (5 to 20 working days)
 - Budget Officer (only contracts containing more than \$20,000 per fiscal year).
 - Budget Officer signs the "Agreement/Summary" (STD215) and attaches funding information on the form
 - Legal Counsel
7. Contract is finalized and sent to Contractor for signature (3 to 10 working days)
8. Contract is signed and returned to SCDD (10 to 20 working days)
9. Once the Contractor's signature has been obtained, the contract is prepared for SCDD Executive Director signature. (3 to 10 working days)
10. If Department of General Services (DGS) review is not required, the contract is fully executed upon CDSS signature. Copies of the executed contract are distributed by the Contracts Analyst.

The following contracts require DGS review and approval: (add 5 to 10 working days)

- Standard Agreements and Interagency Agreements for \$50,000 and above
 - Contracts that limit the contractor's liabilities or require the State to indemnify or to hold the contractor harmless.
 - Contracts that provide for advance payment for services.
 - Any contract containing hazardous activities that may result in substantial risk of serious injury to persons or damage to property, such as transporting of persons by any mode of transportation (also requires automobile and public liability insurance)
11. Upon receipt of the approved contract from DGS, the Contracts Analyst notifies Program and Contractor of execution by sending out copies of the executed contract. (2 to 5 working days)

APPLY APPROPRIATE REGULATIONS AND POLICIES

Disabled Veteran Business Enterprise (DVBE) and Small Business (SB) and Microbusiness (MB) Participation Programs

There are two business enterprise participation programs with which we must interact: Disabled Veteran Business Enterprise (DVBE)

and Small Business (SB) and Microbusiness (MB) Enterprise. State agencies are measured on how well they achieve the mandated goals.

1. DVBE Program

The State of California established the DVBE Participation Program as one way to acknowledge disabled veterans for their service. The intent of the program is to further DVBE participation in State contracting by establishing a DVBE participation goal of at least 3% to ensure a portion of the state's overall annual contract dollars are awarded to certified DVBEs. For more information on the DVBE Program, visit the Internet site at <http://www.pd.dgs.ca.gov/dvbe>

Every year, State agencies are required to submit a report to the Department of General Services on the total dollar amount of purchases and contract awards to businesses and the portion of those awards given to certified DVBEs.

2. Small Business (SB) and Microbusiness (MB) Program

Through the enactment of the Small Business Procurement and Contract Act, a fair portion of the total State purchases, contracts, and subcontracts for commodities and services must be placed with certified small businesses or microbusinesses.

State Agencies have a SB/MB participation goal of 25 percent of the total dollar amount expended annually on purchase and contract awards.

A certified small business or microbusiness or a non-small business who subcontracts with a certified SB/MB firm is entitled to claim a five percent preference in bidding on procurements of goods or services. The five percent preference is used only for computation of the bid amount to determine the winning bidder and does not alter the actual amount of its bid.

PROGRAM RESPONSIBILITIES AFTER CONTRACT EXECUTION

The Contracts Managers shall be as follow: 1) the Budget Officer is the authorized SCDD representative responsible for administering administrative/business services contracts and, 2) the Deputy for Planning and Policy (OR PLANNING SPECIALIST) is the authorized SCDD representative responsible for administering local and statewide

grants/contracts. Each contract manager must evaluate the Contractor's performance and has the following responsibilities:

A. *Typical responsibilities*

1. After contract is executed, notify Contractor to begin work.
2. Monitor progress of work to ensure that services are performed according to the quality, quantity, objectives, timeframes, and manner specified in the contract; e.g., review progress reports and interim products.
3. Ensure that all work is completed and accepted before the contract expires.
4. Review invoices to substantiate expenditures for work performed prior to approving them. Ensure the invoice contains the contract number, index and PCA codes and is forwarded for payment in a timely manner.
5. Ensure that there are sufficient funds to pay for all services rendered as required by contract. Also ensure that funds are available if there is a change in the funding source specified in the contract.
6. Identify low spending levels and consider partial disencumbrance and reassignment of funds.
7. Notify appropriate SCDD personnel of equipment purchase, if applicable, and ensure property is tagged and inventoried before approving cost reimbursement.
8. Monitor use of Disabled Veteran Business Enterprises (DVBE) subcontractors to ensure attainment of approved contract participation goals.
9. Verify that the Contractor has fulfilled all requirements of the contract before approving the final invoice. The final invoice must include the statement "Final Billing".
10. Invoices must be received by SCDD within 90 days following each state fiscal year, or 90 days following the end of the contract term, whichever comes first.
11. Only for consulting services contracts of \$5,000 or more, complete the Contractor Evaluation form (STD.4) within 60 days of expiration of term.

12. Contact the Contracts Analyst for assistance with contract problems.

B. *Contract Manager “Don’ts”*

The Contract Manager is not authorized to take the following actions:

1. Do not instruct the Contractor to start work before the contract is executed and approved.
2. Do not informally change the description or scope of work of the contract without an amendment.
3. Do not direct Contractor to do work that is not specifically described in the contract.
4. Do not sign any Contractor’s contract form (their version of an agreement).
5. Do not approve payment to Contractor for any work not performed or performed unsatisfactorily.
6. Do not extend the time period of the contract without an amendment.
7. Do not allow Contractor to incur costs over the amount set in the contract.

C. *Retention of Contract Records*

All contracts involving expenditures of public funds in excess of \$10,000 contain a provision that the contract is subject to the examination and audit of the awarding department or its delegate or the State Auditor for a period of three years after final payment under the agreement. Federally funded contracts have a record retention period of up to five years. When a contract audit is in dispute or litigation, the record retention period is extended.

D. *Record Keeping*

1. Label a file folder for each contract administered and include the following:
 - a. A log sheet to record any activities related to the contract. Each time you speak with anyone about the contract, make a note of the date of the discussion, and the subject matter discussed.
 - b. A file guide labeled “Invoices.” Retain a copy of all invoices in this file guide.

- c. A copy of the executed contract and other pertinent documentation, such as a copy of the original contract request and any correspondence related to the contract or contractor.
2. Prepare a spreadsheet of expenditures showing the contract amount encumbered and the deduction for each invoice as it is approved for payment.
3. Document the notification to the Contractor of the start date. Work cannot begin before contract execution and the effective date of the contract. Although initial notification to start work may be verbal, it should also be documented in writing and a copy placed in the file. This practice protects the agency and the Contract Manager in the event of legal problems or an audit.
4. Monitor and document the performance and nonperformance of contract services in the contract file. If problems are encountered during the contract term, they should be fully documented. Letters to contractors should outline any problems related to substandard or nonperformance. If applicable, use contract specifications verbatim in the letters so that there is no doubt about the services covered in the contract. All letters about nonperformance should be sent by certified mail with copies to all concerned parties. A copy of the letter should be sent to the appropriate payment unit to eliminate the possibility of erroneous invoice payment.

E. *Oversee the completion of the contract*

To finalize or complete the contract process, contact Contractor to determine whether all invoices have been received. After the expiration of the contract, disencumber any remaining funds by notifying the appropriate payment unit at CDSS and the Contracts Analyst of the amount to be disencumbered. A copy should be retained in the contract file. Please note that if the term has not expired and the contract is still in force, any reduction of funds must be made by contract amendment.

F. *Terminate and/or Disencumber a Contract*

1. A contract may be terminated prior to the end (expiration date) of the term by sending a letter to the Contractor at least 30 days in advance of the effective date of termination.

All contracts contain a provision that permits SCDD to terminate the contract without cause provided adequate notice is given. The termination letter should be signed by the Executive Director and sent to the Contractor by certified mail. Upon release of the termination letter, Contract Manager will send a notice to the requesting program, CDSS Budget Bureau informing them of the termination and to request disencumbrance of funds. No amendment is necessary for terminating contracts.

2. If a contract has already expired, program should send a memo to CDSS Budget Bureau to request the disencumbrance of funds by identifying the contract number and the amount of funds to be disencumbered. The effective date for disencumbrance is the contract expiration date. No amendment is required.

G. Contractor Evaluation

Any consultant services contract of \$5,000 or more requires completion of a Contract/Contractor Evaluation (STD.4) within 60 days after completion of a contract. When a negative finding is made, the Contracts will forward a copy to the Department of General Services and the Contractor within five days of completion of the evaluation.

Contract/Contractor Evaluation forms are not public documents and should not be kept in the contract file.



CONFLICT OF INTEREST POLICY

Community Program Development Grants (CPDG) and Sponsorships

In accordance with Section 15001 in Title 42 of the United States Code and California Welfare and Institutions Code Section 4520, the California State Council on Developmental Disabilities (Council) is established as an independent state agency by both federal and State law. The Council ensures that individuals with developmental disabilities and their families participate in the planning and development of the services they need which promote independence, productivity, inclusion and self-determination.

Moreover, because of the vast size, complexity and diversity of the State of California, local area advisory boards were established to ensure the direct involvement of local individuals familiar with the structure and operation of services and programs for persons with disabilities in their communities.

To that end, the Council provides funding to public and private entities and agencies, in accordance with all applicable federal and state laws, to assist in the development of innovative services for persons with disabilities. This funding is mainly distributed by means of CPGD and sponsorships.

The interests of Council members and area board members (collectively described as Members) and Council employees (employees) will inevitably involve them in organizations, causes and other endeavors which may create an actual or perceived conflict with the CPGD and Sponsorship processes. It would be a disadvantage to the Council to deprive it of the involvement of interested colleagues, but their participation in Council decision making cannot violate current law nor impair the fairness and integrity of the grant process.

CONFLICTS OF INTEREST

Welfare and Institutions Code Sections 4525 and 4546(g)(1) specifically prohibit employees and/or board members of state, local and other private entities from serving on the area advisory board or Council if the entity serves persons with developmental disabilities and the service is funded in whole or in part with state funds. However, exceptions are made for: 1) parents or relatives who receive public funds expressly for the purposes of providing direct services to their child, 2) persons with developmental disabilities who receive employment services through a provider receiving state or federal funds and, 3) members who sit on both the area advisory board or Council.

Based on the vast size of California, the need for geographical diversity, and local involvement in State plan activities, the California Legislature determined that one member of each local area advisory board also sit as a member of the Council. Therefore, this dual capacity has been deemed a non-incompatible and non-conflictive role by law.

Additionally, conflict of interest situations include but are not limited to the following: 1) Members and/or their immediate relatives being employed by, doing business with or receiving anything of value from applicant organizations, 2) Members and/or their immediate relatives serving as board members of applicant organizations, 3) Council employees and/or their immediate family members being employed by, doing business with (other than Council business), or receiving anything of value from applicant organizations and, 4) Council employees serving as board members of applicant organizations.

POLICY

In order to address actual, potential and perceived conflicts of interest in accordance with Public Contract Code 10410 *et seq.*, Government Code Section 19990 *et seq.* and, the SCDD's Policy and Statement of Incompatible Activities, the Council adopts the following conflict of interest policy to ensure the integrity and fairness in the conduct of all of its funding activities:

Members

1. In accordance with Public Contract Code 10410, no Member may apply for Council funds if the Member will receive compensation from such funding. This includes, but is not limited to, situations where Members are employees of applicant organizations and stand to receive compensation from such and will be funded through the CPDG or Sponsorship process.
2. In situations where a Member is employed by an applicant organization but **will not** receive direct compensation from such funding, there is a potential conflict of interest that must be disclosed in accordance with Government Code Section 87105 as follows:
 - a) The Member shall disclose the conflict prior to making any related grant decisions.
 - b) The Member must publicly identify the financial interest that gives rise to the conflict of interest or potential conflict of interest in detail sufficient to be understood by the public.
 - c) Recuse himself or herself from discussing and voting on the matter.
 - d) Leave the room until after the discussion, vote, and any other disposition on the matter is conducted.
 - e) The Member may speak on the issue during the time that the general public speaks on the issue.

This disclosure shall be a made a part of the public meeting minutes in accordance with the Bagley-Keene Public Meeting Act (Government Code Section 11120 *et seq.*).

3. In situations where a Members' immediate relative is an employee of an applicant organization, the Member must determine if it is reasonably foreseeable that a decision will have a financial effect on the Member or their immediate relative. A financial effect includes increasing or decreasing the personal expenses, income, assets, or liabilities of the Member or the Members' immediate relative (2 CCR 18703.) If so, the Member has a conflict of interest that must be disclosed in accordance with the procedure in section 2 (a) – (e) above.

Board Members of Applicant Organizations

4. In situations where the Member is also a board member of the applicant organization and/or a Member's immediate relative is a board member of the applicant organization, the Member must follow the procedure in Section 2(a) above.

This disclosure shall be a made a part of the public meeting minutes in accordance with the Bagley-Keene Act Public Meeting Act (Government Code Section 11120 *et seq.*).

Council Employees

5. No employee may receive any form of compensation from applicant organizations in accordance with Public Contract Code 10410.
6. If employee's immediate relative is an employee of an applicant organization, the employee must determine if it is reasonably foreseeable that a decision will have a financial effect on the employee or their immediate relative. A financial effect includes increasing or decreasing the personal expenses, income, assets, or liabilities of the employee or the employee's immediate relative (2 CCR 18703.) If so, the employee has a conflict of interest that must be disclosed in accordance with the process set forth in 2(a) - (e) above.

Other Situations

In all other situations where there may be a conflict, it is required that the Member or employee disclose the possible conflict to Council Legal staff in order to have an analysis on the matter. Should it be determined that a conflict does exist, any Member involved shall abstain from voting and shall not participate in any discussion involving the funding. This disclosure shall be a made a part of the public meeting minutes in accordance with the Bagley-Keene Act.

If an employee conflict is identified, additional advice may be procured from the Fair Political Practices Commission (FPPC.)